

JOURNAL OF INTER-AMERICAN STUDIES

VOL. 1

APRIL, 1959

NO. 2

EDITORS

ROBERT E. MCNICOLL, *General Editor*

A. CURTIS WILGUS, *Associate Editor*

CONTRIBUTING EDITORS

RICARDO J. ALFARO, *Panama*

DANTES BELLEGARDE, *Haiti*

RICARDO DONOSO, *Chile*

JORGE FIDEL DURON, *Honduras*

GILBERTO FREYRE, *Brazil*

VICTORIA OCAMPO, *Argentina*

FERMIN PERAZA, *Cuba*

DAVID VELA, *Guatemala*

CONSULTANTS

JOHN TATE LANNING, *History*

T. LYNN SMITH, *Sociology*

ERICO VERISSIMO, *Literature*

GEORGE WYTHE, *Economics & Trade*

Published quarterly for the School of Inter-American Studies, University of Florida
By the Pan-American Foundation, Inc.
Copyright 1959, Pan-American Foundation, Inc.

EDITORIAL NOTE

For several years a number of persons interested in Latin American history and culture have discussed the establishment of an "Inter-American Academy" to serve as a medium for the exchange of ideas, information and even inspiration among Latin Americanists. Now with the appearance of the *Journal of Inter-American Studies* a printed medium is available for the publication of scholarly articles representing all phases of Latin American affairs in all academic disciplines. The editors therefore propose the founding of an Academy to which members will be elected on the basis of their contributions in the many inter-American areas of knowledge. A more detailed announcement will be made in the July issue of this *Journal*. Meanwhile comments concerning this proposal will be welcomed by the editors.

CONTRIBUTORS TO THIS NUMBER

CARLOS BORGES SCHMIDT is a *Paulista* who combines history with literature in his writings.

EDWARD J. ROGERS is Associate Professor of Political Science at San Jose State College, California.

F. BORGHINI is a young Argentine artist who has exhibited his paintings in three continents.

DAVID H. SHELTON is Assistant Professor of Economics and Business Administration in the University of Delaware.

RAÚL MAESTRI is a Cuban economist who conducts an economic "Round Table" on CMQ-TV in Habana, Cuba.

PEDRO C. M. TEICHERT, born in Argentina, has completed his education in universities of the United States and now is Professor of Economics at the University of Mississippi.

EDWARD B. GLICK is Director of "Commission on International Affairs and on Israel" of the American Jewish Congress.

FRÉDÉRIC MAURO is a noted French Hispanist and Professor at the University of Toulouse.

HARRY KANTOR is Associate Professor of Political Science at the University of Florida.

11

JOURNAL OF
INTER-AMERICAN STUDIES

VOL. I

APRIL, 1959

NO. 2

TABLE OF CONTENTS

TROPAS E TROPEIROS
Carlos Borges Schmidt 103

BRAZIL'S RIO DOCE VALLEY PROJECT
Edward J. Rogers 123

ARTE Y ARTISTAS EN LA ARGENTINA
F. Borghini 141

THE ECONOMIC GROWTH OF LATIN AMERICA: MOTIVATIONS, PROSPECTS
AND PROBLEMS
David H. Shelton 153

ANALYSIS OF REAL GROWTH AND WEALTH IN THE LATIN AMERICAN
REPUBLICS
Pedro C. M. Teichert 173

REALIDAD Y RUTA DE LA ECONOMIA INTERAMERICANA
Raúl Maestri 203

LATIN AMERICA AND THE PALESTINE PARTITION RESOLUTION
Edward B. Glick 211

UNE HISTOIRE SERIELLE DE L'AMERIQUE ESPAGNOLE
Frédéric Mauro 223

THE DEVELOPMENT OF ACCION DEMOCRATICA DE VENEZUELA
Harry Kantor 237

BOOKS 257



TROPAS E TROPEIROS

Carlos Borges Schmidt

I. A ERA DO BURRO CARGUEIRO

O CICLO DO MUAR

O papel representado pelo muar, na economia nacional, através da história, foi de marcada importância. Sem a sua contribuição, tendo em vista, principalmente, a reconhecida capacidade que possui, de transportar cargas diversas a distâncias excepcionalmente grandes, muito do que foi alcançado, na criação de riquezas, jamais teria sido possível obter. Durante mais de século e meio, desde o descobrimento das minas auríferas, ao entardecer do século XVII, até a alvorada da era ferroviária, em 1867, sua colaboração foi de marcante relêvo.

De início, atendeu ao abastecimento dos vários pontos de mineração no território nacional, suprindo-os de víveres e mercadorias de consumo, e o que mais necessário fôsse. Depois, propiciou o desenvolvimento da produção açucareira paulista, não apenas para o abastecimento regular dos sertões brasileiros, mas igualmente para a exportação, conduzindo-a ao pôrto de Santos. Durante algumas décadas, transportou, pelo Caminho do Mar, a produção cafeeira nascente, na renascente província paulista. Não somente por êste, porém pelos muitos outros caminhos do mar, que, do Vale do Paraíba, demandavam São Sebastião, Caraguatatuba, Ubatuba, Parati e Angra dos Reis, além de outros pequenos portos, hoje reduzidos a nada, como sejam Mambucaba, Ariró e Jurumirim. Mas o seu destino estava traçado.

O advento da ferrovia, ocorrido em 1867, com a construção e entrada em tráfego normal da Estrada de Ferro Santos-Jundiaí, golpeou de morte o transporte em lombo de burro. O golpe de misericórdia desferiu-o a ligação de São Paulo à cidades do Vale do Paraíba, em 1877, ao encontro da linha férrea que, iniciada no Rio de Janeiro, penetrara em território paulista. Esta estrada, realizando uma verdadeira drenagem de todo o café transportado pelas tropas, canalizou-o para o porto de Santos, através a Santos-Jundiaí. Data de então a decadência

de todo o litoral norte paulista. Foi posto fim à fase de nossa história econômica que o prof. Ellis Junior, muito a propósito, denominou "ciclo do muar".

INAVALIÁVEL AUXÍLIO

Fixando as datas extremas, acima referidas, o prof. Ellis Junior assinala que, "mesmo antes do grande ciclo do ouro brasileiro, o muar platino já era uma fonte de renda segura para o núcleos coloniais do Baixo Paraná, pois a mineração andina da prata exigia transportes, principalmente para o abastecimento das dezenas de núcleos coloniais hispano-americano que viviam de extração do argênteo metal".¹ Foi durante o período da mineração andina que alcançou o apogeu a criação de burros na área platina. Ao declinar a mineração andina, a produção sulina de muares entrou em uma fase de decadência, que poderia ter chegado à completa extinção, não, fôsse o episódio de Antonio Dias, que, entre outros, marcou o princípio da era aurífera no Brasil.

"O ouro — assinala o prof. Ellis Junior — foi o consumidor forçado do muar sulino. Depois, com o fim do ouro, o açúcar panaltino, a Baixada Fluminense e depois de tudo isso o café, foram os grandes alimentadores do ciclo econômico do muar, o qual teve grande vigência até o terceiro quartel do século XIX"².

Importante o papel do muar na história paulista. "Talvez a estrada do Rio Grande a São Paulo tenha sido a rota de maior importância na história do Brasil, pois sem ela não teria havido o ciclo do café e nem a unidade nacional teria sido levada a cabo". Entende mais aquele autor; admite mesmo ter sido grande a influência dos fatos ligados à criação de muares no Sul, na própria área política internacional. Sulina, principalmente.

ABASTECIMENTO E COMÉRCIO

O abastecimento das áreas de mineração, sobretudo a mineira e a goiana, passaram, desde logo, a exigir tropas para transporte em número cada vez maior. Inicialmente foi a Baixada Fluminense a responsável pelo abastecimento em açúcar da região em que se explorava o ouro em Minas Gerais. A professora Myriam Ellis Austregésilo estudou detidamente a questão dos transportes no Brasil Colonial. Registra a autora que intenso comércio foi realizado entre o planalto paulista e a região mineira das Gerais, promovendo aquele o abastecimento desta, para a qual o primeiro enviou, para consumo da população inteiramente voltada para a faina mineradora, carnes de porco defumadas e salgadas, cereais de vários tipos caixetas de marmeladae açúcar. Em pouco tempo

¹ Alfredo Ellis Junior, "O ciclo do muar," in *Revista de História*, No. 1, janeiro-março de 1950, São Paulo, p. 76.

² *Ibid.*

o açúcar superou as outras mercadorias e São Paulo abasteceu, com regularidade, as áreas mineiras mais próximas de suas fronteiras, sem que jamais faltasse o produto de seus canaviais.

FATOR DE PRODUÇÃO

Mas a produção paulista de açúcar deveria expandir-se a seu tempo, como de fato ocorreu, para tal ajudando, decididamente, o fato de poder ser transportado, para onde quer que fôsse, pelas tropas muladeiras. Em fins do século XVIII declinou a produção aurífera e, consequentemente, o mercado consumidor de Minas Gerais. Com mercados novos na região platina, o ciclo de produção açucareira de São Paulo não se encerrou, como ocorreu com a da Baixada Fluminense. A conjuntura foi favorável à lavoura canvieira paulista, a qual alcançou seu máximo de expansão entre meados do século XVIII e igual época do século XIX. A área da produção açucareira paulista abrangia Parnaíba, Bragança, Atibaia, Jundiaí, Campinas, Mogi-Mirim, Franca, Itu, Porto Feliz, Piraicaba, Itapetininga, Faxina e outros. Toda a produção obtida nessa vasta área vinha ter à Capital em lombo de burro, e, dali, da mesma forma, alcançava o porto de Santos, pelo Caminho do Mar, demandando, a seguir, os mercados platinos, em especial.³

Concluído o ciclo do açúcar, chegou a vez do café, também com sua produção disseminada por ampla área territorial, desenvolvimento igualmente devido à possibilidade de transporte oferecida pelas tropas de carga. Viajantes que percorreram o Caminho do Mar por volta de 1837, como Kidder, não se referiram ao café, entre os produtos transportados pelas tropas com as quais se encontraram. Já no início do terceiro quartel do século, em 1853, Fletcher mencionou ter encontrado, constantemente, no seu percurso entre Santos e São Paulo, tropas de mulas carregadas de café, com destino ao porto marítimo. Chegou aquele viajante mesmo a ser informado que o intenso trânsito de animais, que se dirigiam a Santos, alcançava a cifra de 200.000 burros de carga. De lá voltavam trazendo mercadoria importadas, dos mais variados gêneros. O café transportado por tamanha quantidade de animais, anualmente, alcançava um total de 1.600.000 arrobas daquele produto, já beneficiado.

II. TROPAS MULADEIRAS

O CAMINHO DO SUL

O início da mineração correspondeu ao desenvolvimento do emprêgo de animais para os transportes no interior do País. Em especial, nas áreas auríferas de Minas Gerais e Goiás, tornou-se de necessidade abso-

³Myriam Ellis Austregésilo, "Estudo sobre alguns topos de transporte no Brasil Colonial," in *Revista de História*, no. 4, outubro-dezembro de 1950, pp. 502-11.

luta o uso crescente de tropas para a condução de mercadorias e gêneros de consumo.

Primitivamente, da Colônia do Sacramento, dos campos de Viamão e das Missões espanholas, eram as tropas de muares, ali criadas, trazidas até a Laguna, onde eram embarcadas. Entre 1727 e 1730, Cristovam Pereira de Abreu, aquele que seria mais tarde considerado um grande tropeiro paulista, abriu, em companhia de Francisco de Sousa Faria, um caminho pelo interior, que, vindo do Sul, passava pelos campos de Curitiba, para vir, afinal, alcançar Sorocaba. Em 1731 saiu êle de Colônia do Sacramento, com numerosa tropa, chegou a São Paulo em 1733 e atingiu Minas Gerais em 1735.⁴

Desde a primeira metade do século XVIII, até o final do século passado, as feiras que se instalaram em Sorocaba, foram o maior centro de negócios de muares de tódo o País. As tropas lá adquiridas eram levadas para os mais distantes pontos do nosso território, como Bahia, Pernambuco e Ceará. As tropas de mulas vindas do Sul, por isso mesmo, tornaram-se concorrentes das criações de cavalos, dos sertões da Bahia, Maranhão e Piauí, de tal forma que em 1757 já se não encontrava pessoa que quizesse arrematar a cobrança dos seus respectivos dizimos.⁵

OS CAMPOS DE SOROCABA

Os campos naturais de Sorocaba facilitaram a permanência das tropas xucas a espera de negócio, no comêço do inverno, a estação sêca, isto é, de abril a junho. Na ponte do Rio Sorocaba, já em 1700 passavam tropas de cavalos e boiadas vindas de Curitiba; em 1732, segundo outro autor, passou a primeira tropa de muares proveniente do Rio da Prata. Existem documentos de 1801 relativos a encontros de compradores e vendedores em Sorocaba, mas não é possível fixar a data em que ocorreu a primeira feira. A última foi em abril de 1897.⁶

TROPAS XUCRAS

As tropas vindas do Sul punham-se em marcha, no lugar de origem, pelos meses de setembro a outubro, quando as pastagens começavam a brotar. Uns tropeiros vinham diretamente, e alcançavam Sorocaba entre janeiro e março. Outros invernavam em Lages (Santa Catarina), durante um ano, e depois prosseguiram até alcançar Sorocaba.

Pagavam os animais, de impostos, um total de 3\$500 por unidade, em diversas rubricas. Os mineiros que vinham a Sorocaba comprar tropas, pagavam novos impostos ao entrarem com elas na jurisdição

⁴Francisco de Assis Carvalho Franco, *Dicionário de sertanistas e bandeirantes do Brasil*, edição da Comissão do 4º Centenário da Cidade de São Paulo, 1954.

⁵Roberto C. Simonsen, *História econômica do Brasil, 1500-1820*. (Companhia Editora Nacional, São Paulo, 1937) II, 268.

⁶Aluísio de Almeida, *História de Sorocaba*, (Sorocaba), 1951) II, 62.

de Minas Gerais. Parte desses impostos pagos do Sul até Sorocaba, na importância de \$250, foi, durante certo tempo, destinada ao proveito do responsável pela abertura desse caminho do Sul. Mais tarde passou para a província.⁷

No começo do Império, vinham anualmente do Sul de 20 a 30 mil cabeças; depois, de 1850, êsse número subiu a mais de 100 mil mulas, anualmente. Em 1865 já estava nominalmente ao nível das 50.000 cabeças. No auge da época das feiras, um muar valia, em Sorocaba, 50\$000.⁸

III. O CAMINHO DO MAR EM LOMBO DE ÍNDIO

A primitiva trilha índia, através a Serra do Mar, foi logo substituída pelo "caminho do padre José". Este recebeu seu primeiro melhoramento de valia com o empedramento do trecho da subida da serra, executado por volta da penúltima década do século XVIII, a "calçada do Lorena", como ficou conhecido.

Muito embora, por essa época, já existisse um regular trânsito de animais de carga, entre São Paulo e o Cubatão, onde, serra abaixo, terminava o caminho, ainda não desaparecera de todo o transporte de mercadorias em lombo de índio, assim como se pode ver de uma ordem do capitão general Bernardo José Lorena, aos diretores das aldeias de índios, sob sua jurisdição, para que mandassem dezesseis índios ao Cubatão, a fim de trazerem para São Paulo, o azeite pertencente à Real Fazenda, que lá se encontrava.⁹

A CALÇADA E O ATERRADO

Com a melhoria do traçado no trecho da serra, e o seu calçamento em 1790, os tropeiros que se serviam dêsse caminho, passaram a pagar, a título de indenização do custo total da obra, uma "penção" de \$040 por bêsta e \$120 por cabeça de gado, até que se completasse o montante dispendido pelo governo. Quanto à conservação geral do caminho, cabia à Câmara de Santos a responsabilidade pelo trecho entre o Cubatão e o Alto da Serra, sendo que daí a São Paulo ficava a carga das vilas de serraacima, que deveriam cotizar-se para atender à obrigação.¹⁰

O trecho ziguezagueante da serra não permitia, mesmo calçado, um ano antes de terminar o século XVIII, a subida de carros, tão apertadas

⁷Auguste de Saint-Hilaire, *Viagem à província de São Paulo e resumo das viagens ao Brasil, Província Cisplatina e Missões do Paraguai*, (Livraria Martins Editôra, 2ª edição, São Paulo, 1940 (?)) pp. 251-253.

⁸Almeida, *loc. cit.*

⁹Departamento do Arquivo do Estado de São Paulo, *Documentos interessantes para a história e costumes de São Paulo*, (83 volumes, 1895-1956) XLVI, 11.

¹⁰*Ibid*, XLV, 70.

eram as voltas do caminho . Nessa época foi determinada a construção de ranchos, ao longo do de todo o percurso daquela via, a fim de proteger contra a intempérie, o açúcar que era levado para o porto marítimo da capitania. Ia em marcha a cobrança de impostos, quando da passagem das mercadorias pelo Cubatão. Taxava-se o açúcar a \$040 por arroba; fazendas de lã a \$080; sedas, cambraias, fustões, fazendas finas de algodão, fitas, enfeites, a \$160, tudo também por arroba. Da mesma maneira eram calculados os impostos das demais mercadorias, na base de \$020 pelo mesmo pêso. O milho e a farinha, bem assim galinhas e frangos, nada pagavam. Dessas tôdas mercadorias, umas eram exportadas, outras subiam a serra para consumo interno.

No ano de 1798 foi iniciada a construção de um aterrado entre Santos e Cubatão, de forma a permitir a futura chegada a Santos das tropas de transporte de produtos exportáveis, vindas de serra acima.¹¹ Essa obra somente estaria terminada em 1827. A partir daí, tanto o trânsito de viajantes como o transporte de mercadorias, que até então, entre Santos e Cubatão era feito por água, passou a ser realizado em lombo de animal, reduzindo as atividades que ocorriam no primitivo porto de Santa Cruz, como se denominava primitivamente, o pequeno núcleo do sopé da Serra do Mar.

A ESTRADA DA MAIORDADE E A DO VERGUEIRO

Um novo traçado na Serra do Mar, de rampa mais suave, denominado "Estrada da Maioridade", da iniciativa do brigadeiro Rafael Tobias de Aguiar, foi aberto ao tráfego em 1841. Por êle subiu, em 1843, a primeira traquitana. Enquanto isso, o movimento de tropas entre São Paulo e Santos crescia, cada vez mais. Em pleno surto cafeeiro, no ano de 1850, já eram numerosas as tropas existentes na província paulista, que por todo o interior transportavam e distribuíam os produtos da lavoura. Nas mãos dos tropeiros estavam cerca de 35.000 animais, e outros 35.000 em poder dos fazendeiros.

Em 1853, cerca de 200.000 animais de carga circulavam , ou melhor, desciam a serra anualmente, enquanto que em 1858 foi registrado que, além das tropas, 200 carros transitaram entre a Capital e o porto santista. Entre 1862 e 1864, novos melhoramentos foram realizados no Caminho do Mar, pelo senador Vergueiro, do qual proveiu a denominação de "Estrada do Vergueiro", até bem pouco tempo de uso corrente. Mas o ciclo das tropas estava a findar.

A FERROVIA: PONTO FINAL

A primeira estrada de ferro construída em São Paulo foi a Santos-Jundiaí. Ogranizada a companhia, em 1860 um decreto provincial aprovou seus estatutos. Ràpidamente processaramse seus trabalhos de

¹¹*Ibid.*, XXIX, 112.

construção. As primeiras experiências de transito de locomotivas ocorreram em 1863, entre o Alto da Serra e Santos. Em 1867 passou a estrada a trafegar regularmente, ocasião em que o poder público, por sua vez, inaugurou a política de abandono das estradas de rodagem, nos percursos paralelos às ferrovias, política que perduraria até 1921, início do ciclo rodoviário em São Paulo. Impossibilitadas de concorrer com a estrada de ferro, mormente num percurso de tal natureza, as tropas capitularam.

UMA VIAGEM EM DILIGENCIA

Do que era em 1865, quando estalou guerra com o Paraguai, a viagem entre Santos e São Paulo, pela estrada de rodagem, o visconde de Taunay deixou interessante relato em suas memórias. Embarcou em Santos em um pequeno barco a vapor que o levou à base da Serra do Mar, ao Cubatão, onde chegou depois de duas horas e meia de viagem. Aí encontrou as diligências destinadas à comissão de engenheiros de que fazia parte. Alguns tinham dado preferência aos vagões de lastro que trafegavam pelo trecho aterrado, que a estrada de ferro utilizou para leito de sua linha, entre Santos e Cubatão. "Começou a ascensão da Serra, e desde as primeiras voltas da estrada, não muito má, que esplendor de paisagem fomos descortinando por tarde fresca, belíssima, em atmosfera de maior pureza !.." E a viagem prosseguiu. "Os meus companheiros, porém, de temperamento pouco artístico capitulavam de desfrutáveis os meus arroubos e passavam o tempo a queixar-se da dureza das molas das diligências, do mau estado do caminho e a consultar, impacientados e impacientantes, a cada instante o relógio". Alcançaram o alto, afinal, depois de duras penas. "A noite já vinha cerrada e ainda não completáramos a penosa ascensão, embora por vèzes descêssemos todos dos carros, puxados por tres parelhas de valentes mulas, no meio dos contínuos — hum! hum! hum! — com que as excitavam os cocheiros alemães, nada ávaros das sibilantes e vigorosas chicotadas". Por fim... "Era noite, quando o rodar desassombrado dos carros nos indicou que terminara a subida. Às nove horas chegavamos a São Paulo, indo alojarnos no Hotel de França, etc."¹²

IV. TROPEIROS E VIAJANTES

O TROPEIRO

"Com razão se considera o paulista como o mais forte, saudável e enérgico habitante do Brasil. O vigor muscular com que amansam cavalos bravios e o gado selvagem por meio de laço é tão maravilhoso, como

¹²Visconde de Taunay, *Memórias*, (Instituto Progresso Editorial, São Paulo, 1948) p. 137.

a facilidade com que suportam contínuos trabalhos e canseiras, fome e sede, frio e calor, intempéries e privações de toda a sorte." São palavras de Martius (1817). Dessa matéria é que era feito o tropeiro, o arrieiro, o almocreve, que todos eram uma mesma e única coisa.¹³

Quando Kidder viajou de Santos para São Paulo (1837), chamou-lhe a atenção os homens que o acompanhavam, os dois tropeiros que conduziam a tropa. Não iam montados. Preferiam viajar a pé, a fim de melhor atender à carga e aos animais. "O chefe era um homem alto, de porte atlético, aparentando cerca de trinta anos de idade. Suas feições eram rudes e o enorme bigode que usava, tornava o seu falar quase incompreensível. Levava as mangas arregaçadas, os pés descalços e as pernas nuas até os joelhos. Logo que partimos arrancou a camisa, pondo à mostra a pele amarelo-bronzeada. Seu companheiro que parecia irmão mais moço, não era tão desenvolvido, mas externava o mesmo temperamento. Estava melhor vestido e andava com os ombros inclinados para a frente. Seus cabelos negros eram longos e caíam em anéis sobre o pescoço. Os olhos eram escuros e faisantes e a complexão não se afastava muito da do índio norte americano."¹⁴ Deveria tratar-se, provavelmente, de um tropeiro, no sentido de responsável geral, e um camarada. Porque dois tropeiros, em uma pequena tropa, seriam, sem dúvida, demasiado. Mas Kidder prossegue. "Esses indivíduos eram verdadeiros protótipos dos tropeiros paulistas, que, como classe, diferem muito dos seus colegas mineiros que visitam o Rio de Janeiro. Te uma certa rudeza no olhar que, combinada com a inteligência e, às vezes, benignidade, de que são dotados, empresta ao seu aspecto uma expressão peculiar."¹⁵ Rudes, mas sérios. Depõe Kidder ainda. "Um cavalheiro que por muitos anos se tinha servido exclusivamente de tropeiros, para o transporte de suas mercadorias, informou-nos de que raramente, ou talvez nunca, tinha tido conhecimento de que determinada encomenda não tivesse chegado ao seu destino."¹⁶

AJUSTES DE PAGAMENTO

Em Mogi-Mirim, situada sobre a rota das tropas de Goiás e Mato Grosso, existia gente habilitada no manejo das mulas de carga, para ser contratada, segundo o testemunho de Saint'Hilaire (1819). "O arrieiro, ou arreador, como se diz geralmente, é pago à razão dos animais de carga que lhe serão confiados para conduzir e tratar." Animais de carga: burros

¹³J. B. von Spix e C. F. P. von Martius, *Viagem pelo Brasil*, (4 volumes, Imprensa Nacional, Rio de Janeiro, 1938) I, 206.

¹⁴Daniel P. Kidder, *Reminiscências de viagens e permanência no Brasil*, (Editora Livraria Martins, São Paulo, n.d. (1940?) p. 168.

¹⁵*Ibid.*, p. 169.

¹⁶*Ibid.*, p. 168.

e béstas. Para ir de São Paulo a Vila Boa, pagave-se a um tocador, de 20\$000 a 30\$000, e alimento, para si e para seu cavalo, apenas na ida. Na volta o camarada comia por conta própria e ficava também a seu cargo a alimentação do animal. Era uma viagem que durava, entre ida e volta, quatro meses. Havia, entretanto, uma vantagem a mais, para o tocador, ou camarada. É que cada um dêles podia levar um animal carregado de mercadorias, para serem vendidas em seu próprio benefício. Animal e mercadorias eram adquiridos com dinheiro adiantado pelo patrão, para ser reembolsado na volta, com os lucros verificados.¹⁷

ARREAMENTO

O geral dos paulistas e os peões, êstes especialmente, usavam uma sela pequena, de madeira, chata, nem sempre forrada de couro, chamada simplesmente selim. Os estribos tão acanhados que neles sòmente cabia o dedo grande do pé.^{17a} Na província do Rio de Janeiro, o homem do povo preferia a sela alemã ou espanhola, que era presa por uma larga correia no peito do animal. Usavam ainda, ao contrário do que se viu acima, largos estribos de madeira ou de metal, com trabalhos de ornamentação na parte inferior. Sob a sela ia um espêssô manto de cor. Fivelas e partes metálicas, tôdas de prata. Isso tudo, naquele tempo, já era considerado como hábito antigo, e raramente visto nos arredores da capital do País, sendo, porém, muito commum no interior. As pessoas categorizadas faziam arrear os seus cavalos à moda alemã, com freio simples, sòmente, sem bridão. Os arreios eram do tipo do selim inglês, com rabicho, usando ainda sôbre a sela uma manta de linho branco ou um pelego feito de pele de carneiro, para maior conforto do cavaleiro.¹⁸

Em São Paulo usavam-se esporas que se adaptavam, com relativa perfeição, aos pés descalços.¹⁹ Já no Rio de Janeiro o costume era outro. Os moradores do interior usavam esporas grandes e pesadas, de prata ou cobre, com rosetas bastante grandes.²⁰ As indústrias de arreios e todo o complemento necessário, floresciam em Jundiá, Sorocaba e Lorena.

FACÃO DE TROPEIRO

O facão que Kidder viu na cintura do tropeiro, pelo lado de trás, prestava, ao condutor de tropas, inavaliáveis serviços. "Essa faca de ponta, talvez seja para êle de maior utilidade ainda que para o marinheiro. Serve para cortar madeira, consertar arreios, cotar carne, e, em caso de necessidade se defenderem ou então assaltarem." O que Kidder

¹⁷Saint-Hilaire, pp. 143-144.

^{17a}von Spix e C. F. P. von Martius I, 255.

¹⁸Hermann Burmeister, *Viagem ao Brasil. Através das províncias de Rio de Janeiro e Minas Gerais*. 1850-1852. (São Paulo, n.d.) p. 71.

¹⁹Von Spix and von Martius, p. 255.

²⁰Burmeister, *loc. cit.*

deve ter querido dizer é agredirem. Assalto traz a idéia de roubo, e não foi, de forma alguma atribuída essa prática a tropeiro algum quando Kidder esboçou o seu retrato moral. E uma agressão, às vezes, é pura antecipação de defesa. Continua a referência àquela peça, de utilidade múltipla. "A lâmina tem uma curva tôda especial, e, para ser boa precisa ter resistência suficiente para cortar um bom pedaço de cobre sem quebrar nem entortar. Sendo a faca a sua companheira inseparável, tem esta frequentemente o cabo de prata e às vezes a bainha do mesmo metal, comquanto em geral seja usada nua."²¹

O TRAJE

A roupa do peão "consistia em um gibão curto, pernas justas e um chapéu em forma de prato, prêso ao pescoço com uma correia, tudo de couro pardo de veado ou capivara, e êste vestuário protege-o muito eficazmente contra as cêrcas de espinheiros, que tem de atravessar na perseguição aos animais." Um verdadeiro símile dos vaqueiros nordestinos da atualidade. Estes peões, auxiliares dos tropeiros ou lidadores de gado se contrapunham ao comum dos roceiros nas viagens que êstes realizavam pela maneira ordinária da época, isto é, a cavalo. Martius surpreendeu-os em caminho. "O traje desses roceiros é inteiramente adequado às condições do local: chapéu de feltro cor de cinza, com abas muito largas, que servem, igualmente, para proteger contra o sol e contra a chuva, um ponche azul comprido, muito vasto, tendo no meio uma abertura por onde passa a cabeça, calças e paletó de tecido escuro de algodão, botas altas, não engraxadas, seguras embaixo do joelho por uma correia e fivela, facão comprido, com cabo prateado, que, como arma defensiva e ofensiva, êle mete no cinturão, ou no cano de bota, e, igualmente, tem tanta serventia à mesa como para outros misteres. Tais são as características dos paulistas em viagem. As mulheres usam vestidos de pano, largos e compridos, e chapéus desabados."²²

O CAVALO

O uso de cavalos nas bandeiras era, até pouco tempo, ignorado. Através de um relatório feito por um dos participantes da bandeira que penetrou os sertões de Goiás e foi parar em Belém do Pará, chefiada pelo capitão Bartolomeu Bueno da Silva, o Anhanguera, tem-se notícia, pela primeira vez, do emprêgo de animais, "para a condução da carga e necessário." Para isso levaram, os sertanistas, uma tropa de 39 cavalos. Essa bandeira partiu de São Paulo a 3 de julho de 1722.²³

O cavalo deve ter sido muito usado como animal de carga, nos primeiros tempos da mineração, até que as tropas muladeiras, vindas do

²¹Kidder, p. 169.

²²von Spix and von Martius, p. 189.

²³Alfonso de E. Taunay, *Relatos sertanistas*, (Livraria Martins Editôra, São Paulo, n.d. (1954?) p. 121.

Sul, por terra, alcançassem as longínquas regiões das Gerais, do Cuiabá e de Goiás. Os burros e as bēstas os substituíram com vantagem nos longos percursos, e, provávelmente, passaram eles a ser usados pelos roceiros, em especial, nas suas caminhadas, dentro ou pelas vizinhanças de suas propriedades, ou em curtas viagens. Possivelmente, serviram de montaria de camaradas, tocadores ou mesmo tropeiros. Desempenhou, também, o papel de madrinha de tropa, concorrendo, nesse terreno, com as éguas, maninhas ou criadeiras. De como eram eles, bem mais recentemente, em 1817, Martius deixou uma informação. "Os cavalos bravos são comumente castanhos, raríssimos brancos ou malhados, e revelam em geral, pela cabeça relativamente pequena e grossa e estatura mediana, a sua origem extra-européia."²⁴

EM VIAGEM A CAVALO

Homens e mulheres viajavam sempre montados, em cavalos ou mulas, amiúde o marido carregando a mulher na garupa.²⁵ Provávelmente, mais medo do que perigo, andavam armados os que se aventuravam pelas estradas e caminhos. "Quando se sai em viagem, usam-se duas pistolas na frente da sela, em lugares apropriados. Na garupa vão dois alforjes, para roupas e outros pertences, e, por vėzes, ainda uma mala pequena, de que os brasileiros não gostam, deixando-a sempre para a cavalgadura do criado. A capa, fechada inteiramente, tem apenas um buraco para enfiar-se a cabeça, e dois lateralmente para os braços; chamamna ponche e cai em frente sōbre a sela."²⁶

V. TROPAS DE TRANSPORTES

CAMINHOS DO SERTÃO

O pequeno povoado que era a vila de Jundiá em 1817, representava destacado papel no comércio com o sertão. Ali eram organizadas as tropas que faziam o transporte de mercadorias para Minas Gerais, Mato Grosso e Goiás. Numerosas as grandes manadas de animais, existentes naquele centro principal de tropas e tropeiros. Dalí partiam em viagens grandes caravanas, que se demoravam fora muitos e muitos meses. De Jundiá a Vila Boa de Goiás consumiam-se trinta dias ininterruptos de viagem, e dois meses para Cuiabá. As tropas que faziam o comércio com São Paulo e o port de Santos, levavam farinha, milho e açúcar, trazendo de volta sal, ferro e manufaturas européias. Todo o necessário para o equipamento das tropas era ali produzido: cangalhas, selas, ferraduras, etc. E foi o incessante movimentar das grandes tropas que tinham ali sua base de

²⁴J. B. von Spix e C. F. P. von Martius, II, 256.

²⁵*Ibid.*, I, 189.

²⁶Burmeister, p. 71.

operações que permitiu se atribuisse a Jundiáí foros de porto sêco.²⁷ Disse-o Martius.

ORGANIZAÇÃO DAS TROPAS

Um viajante que por Jundiáí passou no ano seguinte, isto é, em 1818, achou que a vila era pouco povoada, fato que atribuía à saída de seus moradores como camaradas e arrieiros das muitas tropas que naquele local se abasteciam para seguir viagem rumo ao sertão distante. Nessas atividades, eram empregadas, anualmente, cêrca de 800 a 1.000 bêstas. Em 1823 seria o triplo o número de animais empregados nos transportes.²⁸ É o depoimento de Alincourt.

Mais um ano passado (1819) era o capitão-mor de Jundiáí o maior organizador local de tropas, graças à fazenda que alí possuía. Comprava anualmente em Sorocaba, na *estação das viagens*, cêrca de mil mulas ou mais. Vendia-as aos tropeiros, ou chefes de tropas, e a êstes ainda fornecia as provisões necessárias e arranjava-lhes camaradas. Em sua fazenda, cada tropa dispunha de um espaço adequado para os seus preparativos de viagem: pasto, rancho separado, paus para prender os animais, dispostos em quadrados, à volta do abrigo. No rancho depositavam-se as mercadorias que deveriam ser transportadas. Mesmo alí eram preparadas as cargas, ferrados os animais, e carregados quando se apresentava o momento da partida para as grandes caminhadas. Segundo Saint 'Hilaire, a êsses ranchos e pastagens, a tais conjuntos, enfim, davam o nome de *internadas*.²⁹

CONSTITUIÇÃO DAS TROPAS

As tropas que desciam de São Paulo para o Cubatão, em 1825, iam carregadas de toucinho, açúcar bruto e aguardente. Compunham-se, de um modo geral, de 40 a 80 animais, sob a responsabilidade de um tropeiro, que contava com a ajuda de um camarada para cada lote de oito animais.³⁰ Eram mesmo pouco numerosos os animais de cada lote, em confronto com épocas mais recentes, pois, em certas regiões, as tropas na atualidade viajam em lotes de 12 animais, compondo-se elas de um total de 48 animais, ou sejam, de 4 lotes. Não seria excessivo admitir a ocorrência de tal fato em virtude de serem hoje melhores os caminhos que os de antanho. E não isso apenas. Além dos melhores caminhos facilitarem o trânsito, o pequeno número de tropas hoje existente, não cria problemas como os de frequentes encontros no caminho, ranchos e pousos sempre abarrotados de homens e animais, etc.

²⁷ von Spix and von Martius, I, 271.

²⁸ Luiz D'Alincourt, *Memória sobre a viagem do pôrto de Santos à cidade de Cuiabá*, (Editôra Martins S.A., São Paulo, n.d.) p. 47.

²⁹ Saint-Hilaire, 155.

³⁰ Hercules Florence, *Viagem fluvial do Tietê ao Amazonas, 1824-1829*, (tradução do Visconde de Taunay, 2ª edição, Edições Melhoramentos, São Paulo, n.d.) p. 36.

Em meados do século passado, exatamente em 1850, um depoimento assinala que as tropas eram divididas em grupos de 7 bêstas, cada qual com o seu condutor. O número de lotes era variável, estando em seu total sob a responsabilidade de um tropeiro. Uma tropa com seis ou sete lotes já podia ser tida como de tamanho considerável. Com menos, era pequena. Os camaradas, que eram escravos, marchavam, cada um, atrás do lote que lhe cabia vigiar. Às vezes estavam munidos de pedaços de pau, de cerca de três palmos de comprimento, com os quais castigavam os animais que se detinham para pastar, durante a marcha, atirando-os sobre eles, com grande habilidade.³¹

AJUSTE COM OS TROPEIROS

Quando os lavradores não dispunham de tropas de sua propriedade, para transportar seus produtos, tinham que se entender com os arrieiros, ou tropeiros, com aquele objetivo. Em Campinas, por exemplo, em 1819 para transportar uma arroba de açúcar (14, 74 kg) até o porto de Santos, os tropeiros cobravam de \$340 a \$400. No trajeto entre aquelas duas cidades consumiam 12 dias de viagem. Cada animal carregava oito arrobas, repartidas em duas partes iguais, ensacadas, cada uma num jacá de taquara, de forma retangular e chata.³² Para transportar a bagagem do consul Langsdorf, entre Santos, ou melhor, entre Cutão e Jundiá, em 1825, no início daquela memorável viagem aos sertões, foram alugadas 63 bêstas, pelo preço de 118\$000, sendo que cada animal deveria transportar sete arrobas e meia. Eram 472 arrobas a serem levadas através um percurso de 19 léguas puxadas.³³

APRESTOS PARA A PARTIDA

Quem despertasse bem cedinho, em Cubatão do começo do século passado (1807), poderia assistir, como Mawe, a cena de apresto das tropas, na iminência de partirem serra acima, cujo número de animais ultrapassaria uma centena. Arrear e carregar, não se tornava difícil em face da mansidão e docilidade dos animais, já de sobejo acostumados àquelas tarefas penosíssimas que deveriam cumprir. Almocreves e negros escravos, por sua vez, eram de extrema habilidade e destreza, em arumar arreios e cargas, a ponto de deixarem surpresos os que assistiam ao espetáculo.³⁴ E deveria ser assim mesmo. Existem outros depoimentos. O trabalho de carregar a descarregar uma mula, não pode ser feito por uma única pessoa, exigindo sempre duas, porque ambas as cargas devem ser suspensas ao mesmo tempo, nos dois lados do animal. Caso con-

³¹de E. Taunay, p. 72.

³²Saint-Hilaire, p. 150.

³³Hercules Florence, p. 38.

³⁴John Mawe, *Viagens ao interior do Brasil*, (Editôra Zélio Valverde, Rio de Janeiro, 1944.) pp. 73-74.

trário, êste não se manteria em pé, se antes disso não tivesse a cangalha tombado do seu lombo. Eia a razão pela qual uma tropa, mesmo pequeníssima, de três ou quatro animais, uma tropinha de viajante com as suas bagagens, exige sempre a presença de dois camaradas.³⁵ Tudo isso em termos, naturalmente.

CANGALHA

"O animal de carga não leva bridão, mas apenas cabresto." É o que diz um depoimento de 1850. "Carrega no lombo uma cangalha alta, cuidadosamente forrada de palha, sob a qual se põe ainda uma cobertura de vime envolvida em tiras de linho. Esta cobertura fica em contacto directo com o pelo do animal. Na cangalha forrada de couro de vaca, há duas saliências, feitas de madeira, protegidas também por couro, nas quais se suspendem os fardos. Uma forte correia que prende tudo, passa pela barriga do animal."³⁶ Deve-se a Burmeister essa descrição.

UMA TROPA DE MILHO

Nas áreas mais apegadas ao passado, salutarmente tradicionais, como a região do Vale do Paraíba, assim chamada, onde ainda é possível dar de encontro, numa volta do caminho, inesperadamente, com uma tropa equipada e carregada à moda de dantes, e sentir a sempre grata emoção de uma momentânea volta ao passado, pode-se ter noção da capacidade de transporte daquele antigo meio de condução de mercadorias. Uma carga composta exclusivamente de milho, debulhado ou em casca. De milho debulhado, uma quarta são 12 litros, e quatro quartas, ou 48 litros, um alqueire. Esse alqueire de milho debulhado equivale a um jacá de milho em casca, ou em espiga, com palha. Esse jacá de milho em espiga é justamente meia carga de um burro, eis que são dois os jacás que o animal carrega no lombo. Assim, êsse um cargueiro, ou animal de carga, tem capacidade para transportar dois alqueires de milho ainda em espiga, ou sejam, 96 litros depois de debulhado. Como o uso na região é de considerar um lote como formado de 12 animais de carga, e uma tropa de quatro lotes, totalizando 48 animais, segue-se que a capacidade de uma tropa em transportar milho em espiga, hoje em dia, na área referida, é de 4.600 litros de milho, depois de debulhado, aproximadamente, ou na medida usada no Oeste paulista, pouco menos de 5 carros de milho. Carros de bois, não dos muito grande; tais como os que se usavam na região, até alguns anos passados.

TROPAS EM VIAGEM

Tudo muito bem preparado, punham-se as tropas a caminho de seus destinos. O mais intenso era o movimento de animais entre o Alto da

³⁵Burmeister, p. 72.

³⁶*Ibid.*, p. 73.

Serra e São Paulo, em 1837. "As tropas com que frequentemente cruzávamos nesse caminho-diz um viajante-ofereciam aspecto interessante. Eram compostas de 100 a 300 mulas cada uma e levavam número suficiente de homens para lidar com os cargueiros e guardá-los. Os burros geralmente levam uma cangalha com dois jacás perfeitamente balanceados, contendo sacos de açúcar ou outra carga qualquer. Um animal é amestrado para conduzir os demais. Esse, que é escolhido pela sua prática e conhecimento dos caminhos, além de outras qualidades, leva em geral um penacho na cabeça, fantasiosamente ornamentado de conchas marinhas, fitas e penas de pavão. Leva ainda um cinorro pendurado ao pescoço e caminha sempre à frente dos outros. O tropeiro chefe vai sempre muito bem montado e leva um laço preso à cincha, pronto para ser arremeçado contra qualquer animal que desgarre."³⁷

As tropas viajavam, principalmente, pela manhã. Por volta de meio-dia alcançavam o lugar de pouso, onde passavam o restante da tarde, em descanso. Aliviada a carga, recebiam os animais uma ração de milho e a seguir eram soltos no pasto, ou nos arredores, simplesmente. Na manhã seguinte, antes de deixarem o local do pernoite, recebiam outra ração de milho. E partiam carregados, novamente.³⁸

Ainda sobre a tropa em viagem há outro depoimento, de meidos do século passado (1850). O tropeiro, em geral, viajava a cavalo, para melhor dominar o conjunto em marcha. Seu cavalo, com quem os animais estavam amadrinhados, indicava o caminho a seguir, acompanhado pela tropa toda. Perdido de vista, seu desaparecimento era acusado pelo zurrar das mulas. As tropas maiores eram guidas por uma madrinha, mula também, que representava esse papel de guia. Levava ela na testa um enfeite de penas e guisos, ou uma sineta pendurada no pescoço, cujo som atraía o total da tropa. Essa mula jamais deixaria que qualquer dos cargueiros passasse à sua frente, por maiores esforços que tivesse de fazer. Mesmo quando solta no campo, ou na invernada, a madrinha, como já era então denominada, comumente, estava acompanhada dos demais componentes do seu grupo de animais de trabalho.³⁹

RANCHOS E POUSADAS

Um sem número de pousos e ranchos de tropeiros bordavam as margens das vias de comunicações. Mais ou menos separados uns dos outros, situavam-se, quase sempre, em distância de meia jornada; às vezes bem perto, outras em compasso até de uma jornada comum. Algumas vezes simples cobertas de sapé, sobre poucos esteios, totalmente em aberto, sem outra proteção lateral que os montes de cangalhas e cargas poderiam

³⁷Kidder, pp. 181-182.

³⁸Burmeister, p. 71.

³⁹Burmeister, p. 72.

propiciar, podiam também ser encontrados em condições bem diferentes. Eram ranchos fechados por paredes laterais e, muitas vezes, divididos internamente, os quais podiam oferecer, tanto ao simples camarada, como ao viajante mais qualificado, um desconforto bem menor que aquele encontrado nos abrigos do primeiro tipo. Em outras circunstâncias aparecia ainda, a lado rancho pior ou melhor, uma casa de pouso, uma quase estalagem, onde o viajante ou o tropeiro podiam desfrutar de melhor acomodação para o pernoite e, bem assim, de um reabastecimento em gêneros essenciais, para a caminhada seguinte ou para as jornadas futuras, que se prenunciavam mais difíceis, por cruzarem regiões mais pobres e despovoadas. Ao acaso, referências sobre alguns deles, em seus vários padrões, podem ser encontradas nos depoimentos dos viajantes de então.

No caminho do sertão, no Juqueri-Mirim, antes de Jundiá (1818), "entra-se em um sítio chamado o Felix, onde há um pouso reiuino," cujo nome, segunda o próprio itinerante, tinha sido "posto pelos arrieiros ou tropeiros, por ser construído a custa do Estado." Mais adiante D'Alincourt, de quem foram tomadas essas informações, entre Jundiá e Campinas, menciona um dos tipos mais precários, desses indispensáveis pontos de apoio para os caminhantes. Na passagem do Rio Capivari, dizia, "há um pouso ou rancho (assim chamam a uns telheiros levantados em certas paragens, em que abrigam as cargas das tropas), etc."⁴⁰

Viajando pela província fluminense, Burmeister (1850) deixou um registro pelo qual é possível assinalar a similitude daqueles locais, por ampla área geográfica e através o correr dos anos. "Esses lugares de pernoite costumam-se encontrar nas proximidades de uma aldeia ou junto de uma venda onde se possam adquirir alimento. Um grande telheiro sobre quatro colunas e que se denomina rancho, serve para abrigar as mercadorias e os tropeiros também, quando não há acomodações na casa do vendeiro. Paga-se por animal, ou antes, por carregamento uma taxa fixa."⁴¹

Mas para a rija fibra do tropeiro não havia dificuldade maior, ao procurar o seu pouso. Muitas vezes, por razões determinadas, chegava mesmo a desprezá-lo. "É frequente acamparem no relento, a procura de melhores pastagens para as alimárias. Empilham então em linha, no chão, os jacás de açúcar, café ou qualquer outra carga, cobrem-nos com couro e cavam um sulco em volta da pilha para evitar que seja danificada por algum aguaceiro repentino." Conforme Kidder, em 1837.⁴²

De meados do século XIX, pertence a Burmeister o relato do estabelecimento do pouso em abarracamento. "Num lugar ermo e livre, logo

⁴⁰D'Alincourt, 46,49.

⁴¹Burmeister, p. 72.

⁴²Kidder, p. 178.

em frente, onde havia várias estacas de oito pés de altura plantadas no chão, encontrei outra venda, cujo pátio, fechado e com grandes porteiras, era atravessado pelo nosso caminho. Ao perguntar o que significava aquilo, responderam tratar-se de um rancho. Nas regiões de leste da província do Rio de Janeiro não existem abrigos cobertos para as tropas; assim, cada um leva a sua barraca, que os tropeiros armam junto aos ranchos a fim de proteger as mercadorias contra as intempéries e mesmo servir-lhes de abrigo para dormirem. Durante a faina de carregar, os animais são pesos às estacas, que, em geral, não são removidas para que possam prestar serviços aos que mais tarde por ali passarem.”⁴³ Muito provavelmente, o autor, ao mencionar que as barracas eram armadas “junto aos ranchos,” quiz significar “o lugar de pouso,” eis que êle próprio diss, logo antes, que era um “lugar ermo e livre.” Rancho, aqui, é o lugar de pernoite, e não a construção.

O mesmo personagem, assitiu à costumeira atividade do tropeiro e seus camaradas, na preparação do pouso noturno, pelo sistema de abaracamento, e admirou-se da extrema rapidez e perfeição com que o faziam. “Debaixo da barraca, que não toca o chão, emfileiram-se as cangalhas uma enfiada na outra, ficando noutra fila as mercadorias, com suas bandeirinhas de cor azul, vermelha ou verde, que servem para indicar os respectivos conjuntos. Entre cada fila, deixam um espaço de dois a tres pés, onde dormem os tropeiros e escravos, dos quais um sempre fica de vigia. Em frente à barraca fincam três estacas para a panela de comida. Noutro lugar via-se um prêts sentado, com um malho na frente, consertando ferraduras e batendo pregos para os consertos que eventualmente se tornassem necessários. Mais adiante alguns prêtos lidavam com arreios e cobertores. Em redor de tudo isso estavam os animais presos, dois ou três em cada estaca, com seus embornais pendurados no pescoço, mastigando compassadamente, como um moinho de trigo. Uma vez satisfeitos, homens e animais as bēstas são soltas e vão-se mato a dentro com tôdas as mostras de alegria, depois de teremse espojado, na grama ou na areia, com visível satisfação.”⁴⁴

POUSOS NO CAMINHO DO MAR

Alguns ranchos e pousadas existiam no caminho de Santos a São Paulo. Em 1825, Hercules Florence pousou, vindo do litoral, a uma légua de São Paulo, na casa de “um pobre homem,” que abrigou a êle e a seus companheiros, de uma tempestade, ocorrida na ocasião.^{44a} Evidentemente que êsse não era um pouso, no sentido tropeiro da palavra, mas, em uma emergência, era possível socorrerem-se os viajantes dos modestos

⁴³Burmeister, p. 86.

⁴⁴*Ibid.*, loc. cit.

^{44a}Hercules Florence, p. 40.

casebres que, mesmo de longe em longe, balisavam a antiga rota do Padre José.

Quando Mawe veui a São Paulo, em 1807, no caminho, coisa de cinco léguas antes de alcançar a Capital, tomou refeição numa hospedaria que achou razoavelmente boa.^{44b} Deu êle, também, interessante informe sôbre outra pousada nas proximidades da cidade. "São Paulo, embora em lugar elevado, não é visível, nesta direção, a grande distância. Em sua vizinhança imediata o rio corre paralelamente à estrada, que às vêzes inunda e cobbre de areia; à nossa esquerda, vimo grande estalagem ou hospedaria, onde são descarregadas as mulas e onde os viajantes, comumente, passam a noite. Consiste num grande telheiro, sustentado por colunas de madeira, com divisões especiais, para receber as cargas ou fardos das mulas, ocupando o viajante tantos quantos o exigirem as cargas; existe um terreno com 100 jardas de circunferência, onde estão fincadas pequenas estacas, distantes umas das outras dez a vinte passos, que pervem para amarrar as redias das mulas, enquanto são alimentadas, encilhadas e carregadas. Estas estalagens são muito comuns em todos os pontos do Brasil."⁴⁵

Quando Kidder fez o mesmo trajeto, em 1837, parou no rancho existente no Rio Pequeno. "O rancho comum nanda mais é que uma coberta, ou antes um teto de sapé, sustentado por moirões, tendo inteiramente em aberto o espaço que lhe fica por baixo. É propositalmente construído para abrigar os viajantes e suas dimensões dependem da liberalidade dos habitantes do lugar. As vêzes êsses rústicos abrigos medem de 60 a 100 pés de comprimento sendo a largura proporcional. De raro em raro encontram-se ranchos fechados. Os viajantes que chegam primeiro escolhem a melhor acomodação. Descarregam as mulas e empilham a carga e os arreios, às vêzes em forma de quadrado dentro do qual deitam para repousar sôbre peles estendidas no chão ou em redes. Durante a noite soltam os animais no pasto, e, levando cada tropa o seu trem de cozinha, tem os tropeiros tempo suficiente para preparar a refeição enquanto os animais descansam."⁴⁶

Em 1852, segundo uma mensagem do presidente da província de São Paulo, eram os seguintes os ranchos para tropas, existentes no Caminho do Mar. No Rio Grande, ou Jurubatuba, existia um rancho com paredes de taipa, provavelmente taipa de pilão, e bon madeiramento. Mais adiante, no Rio das Pedras, próxibo ao Alto da Serra, encontrava-se outro rancho, com paredes de alvenaria e madeiramento estragado, exigindo pronto reparo. No trajeto da Serra do Mar, pelo traçado cha-

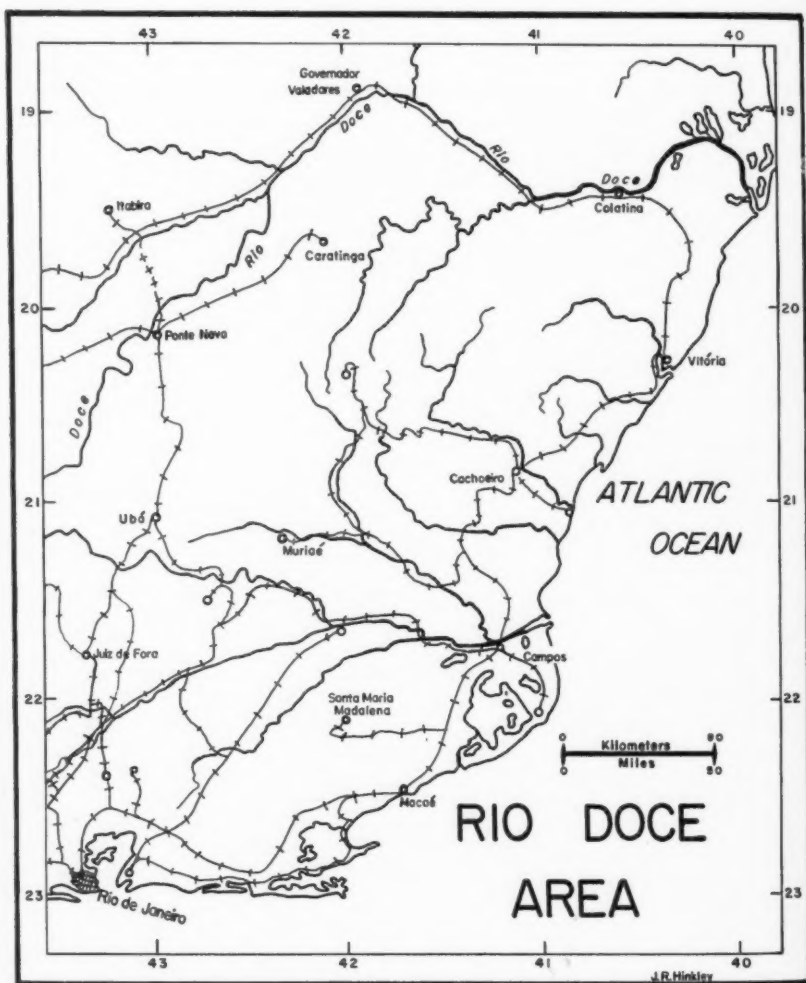
^{44b}John Mawe, p. 73.

⁴⁵Mawe, p. 74.

⁴⁶Kidder, pp. 177-178.

mado da Maioridade, aberto ao trânsito das tropas onze anos antes (1841), estavam três ranchos, cobertos de telhas e com "paredes de mão", quer dizer, pau a pique barreado, com esteios de madeira lavrada, todos em mau estado de conservação. O sexto rancho encontrava-se no Cubatão. Era o maior de todos, exceção feita do de Santos, com paredes de alvenaria e madeiramento muito bom. Um excelente rancho. Junto ao Rio Casqueiro, na baixada santista, estava outro rancho, em mau estado. Por último o de Santos, de todos o melhor, pelo tamanho e pela construção. Tão bem cuidado era que existia nele um zelador, incumbido, principalmente, de combater os formigueiros que se formavam nos seus alicerces. Foi o que disse o presidente. . .⁴⁷

⁴⁷Dr. José Thomaz Nabuco D'Araujo, *Mensagem à Assembléia Legislativa Provincial*, (Em 1º de maio de 1852, pelo president da provincia) Anexo. p. 27.



BRAZIL'S RIO DOCE VALLEY PROJECT

*A Study in Frustration
and Perseverance*

Edward J. Rogers

Perhaps the most interesting, and certainly the most complicated, of the many activities relating to Brazilian iron ore development are those associated with the Rio Doce Valley. This valley, which lies about 225 miles north of Rio de Janeiro, is a natural corridor from the sea to the rich Itabira ore fields in the state of Minas Gerais. Its value as a possible outlet for Itabira ore was noted as early as the first quarter of the nineteenth century by such figures as Camara Bittencourt, Intendente General of the Diamantina district and Baron Wilhelm von Eschwege, a mineralogist employed by the Portuguese government.

Nothing was done in relation to the development of these fields during the nineteenth century, but during the twentieth century this ore and its valley approach were for almost fifty years the center of various plans and frustrations before the problem was finally resolved. Much of the ensuing bickering rotated around transportation to and from the area and this, in the final analysis, meant the construction and control of a railway line.

Rail transportation into the Rio Doce Valley had its inception in a general law promulgated by the provisional government of the newly-born Republic of Brazil in 1889. In that year, the young republic accepted a law which had actually been passed a year earlier by the Monarchy to encourage the construction of railroads throughout the nation. Under this law, the government granted railroad concessions and agreed to pay, for a designated number of years, 6 per cent interest in gold on capital invested in such construction to a total of Cr. \$30,000 per kilometer.¹ This was to encourage capital, foreign and domestic, to enter the field of railroad building. Several such concessions were granted during the next decade and while some projects were well planned and honestly constructed, others were ill-advised. Too often the concession-

¹Dermeval José Pimenta, *O minério de ferro na economia nacional* (Rio de Janeiro: Grafica Editora Aurora, Ltda., 1950), p. 48.

aire was more interested in adding unnecessary kilometers to the railway line to take advantage of the government's generous interest payments. It was during this period that the hapless Vitória a Minas Railway concession was granted.

In 1890 General Manoel Deodoro da Fonseca, Chief of the Provisional Government, granted the above concession to a Brazilian group headed by Augusto José Ferreira and Carlos José da Costa Pimenter Junior. The concession was to operate for sixty years and 6 per cent interest was guaranteed by the government for thirty years on capital invested by the company to a maximum of Cr. \$30,000 per kilometer. Ten kilometers on each side of the road bed were included in the concession in addition to the company's right to develop the resources in the concession area.² It was not, however, until 1900 that the group was able to get the financial backing needed to commence operations. In that year the officials of the railroad company negotiated a loan from the banking house of Ten Havem and Von Essen in Amsterdam, Holland.

The original purpose of this railroad firm was not to serve the Itabira iron ore region. In fact, these iron ores had not yet been publicized throughout the world. The rail line instead was to run from the port of Vitória inland to Peçanha and ultimately to Diamantina some 150 miles northwest of Itabira. The general intent of the planners was to turn the traffic of the whole Rio Doce Valley, and its tributaries, toward Vitória. Construction on the railroad began shortly after the loan was received in 1901 and by 1908, the railroad had some 234 kilometers of line under traffic. Meanwhile, the railpoint, or construction zone, had been carried some 313 kilometers to what is now the present-day community of Tumiritinga.

It was during this early construction period that the Serviço Geológico e Mineralógico de Brazil was formed for the purpose of scientifically studying the geological structure of Brazil and its mineral wealth. One of the first undertakings of this "Serviço Geológico" was to send a small group of mining engineers under the direction of Dr. Luis Gonzaga de Campos to study the geological and economic conditions of the iron ore area of the Serra de Espinhaço in central Minas Gerais. This area, due to long exploitation and settlement³, was already fairly well known in a general way, but nothing of scientific importance had been produced in relation to its iron ores.

In the years from 1907 to 1909, the geological group produced a notable report on a portion of this ore region. The report was endorsed

²*Ibid.*, p. 49.

³The gold and diamond strikes of the eighteenth century had brought people into the area.

by the American geologist Orville Derby, Director of the "Serviço Geológico," who presented these findings to the world at large in a paper given at the XI International Geological Congress at Stockholm, Sweden, in 1910.⁴ As a result of this report, the eyes of the industrial world were directed toward Minas Gerais and its newly publicized mineral wealth. The iron ore region then witnessed an invasion of foreigners bent on securing mining concessions should the ore prove, under more intense study, rich enough for development.

The English with meager domestic sources of iron ore were especially interested in Derby's report. In fact by 1908, two years before the Stockholm conference, certain Englishmen were already in Brazil seeking concessions for ore development. In that year the directory of the Vitória a Minas Railway was approached by English interests with a proposition of mutual benefit. The English asserted that they had an option to buy iron ore property in the Pico de Itabira region and wanted to know if the railroad company would consider transporting this ore. The railway company hired an engineer to study this possibility and he advised, in due course of time, that heavier rails and bridges would have to be utilized — and the line electrified — so that it could profitably carry a low-value product like iron ore. This information, along with the price the company would charge to carry iron ore, was relayed to the British.

Meanwhile, other conversations had apparently ensued between the English group and the Brazilian railroad directory. The English shortly thereafter organized a company called the Brazilian Hematite Syndicate which was not only given the right to take up the above iron ore option but was also given an option⁵ to buy a majority of the stock in the Vitória a Minas Railway.⁶ The declared intent of the British was an exportation of 3,000,000 tons of iron ore a year over an electrified railroad. The securing of the two control options by the British was apparently not difficult. The Brazilians lacked technical "know-how" and capital while the English were the creditors of the world and had a fund of experience in the development of raw materials and in the building and operation of railroads.⁷

The railroad's 1901 concession had called for the construction of a Vitória-Peçanha-Diamantina line instead of a Vitória-Itabira route. How-

⁴"The Iron Ores of Brazil," *Bulletin of the Pan American Union*, No. 32 (April, 1911), pp. 652-655, citing Orville Derby, Director of the Serviço Geológico e Mineralógico do Brasil in *The Iron Resources of the World*, Vol. 2 (Stockholm, Sweden, 1910).

⁵By the railroad's directors.

⁶Pimenta, *op. cit.*, p. 54.

⁷The Argentine railroads, as well as several Brazilian railroads, were built almost entirely by the British.

ever, the Brazilian government was much impressed by the disclosures of the Serviço Geológico and probably it envisioned a new source of national income to add to that provided by the then booming rubber and coffee industries. When the directory of the Vitória a Minas line asked that its concession be changed from Diamantina to Itabira, the Minister of Transportation approved such a change but with the understanding that the company, at its own cost, construct "... a metallurgical establishment capable of producing, with national raw materials, a minimum monthly average of 1,000 tons of pig iron."⁸ This arrangement was acceptable to the company and thus the new contract between the Brazilian government and the railroad's officials, signed December 30, 1909, definitely tied the Vitória a Minas Railroad to the future exportation of iron ore and to the development of a domestic iron and steel mill. Electrification of the railroad line and the 3,000,000-ton export goal were reaffirmed in the new contract as were all the old governmental inducements, financial and otherwise.⁹

After the new concession had been granted the English-owned Brazilian Hematite Syndicate then used its option rights to acquire, in 1910, not only the mining properties but also 73.3 per cent of the railroad's stock. The following year the syndicate's name was changed to the Itabira Iron Ore Company and this new company then became responsible for the development of the ore properties, the steel mill and the railroad.

It was decided by the new firm that the railroad should follow the valley of the Rio Doce to Itabira and studies were initiated with this end in view. Other studies covered the electrification of the line and still others touched on the transportation target of 3,000,000 tons of ore yearly. In fact by 1912, there were some individuals who were already talking in terms of exporting 6,000,000 tons a year. To appreciate the magnitude of this early project to move 3,000,000 tons of ore over the Vitória a Minas Railroad, it should be observed that in 1949, the Central do Brazil Railroad moved 4,449,332 tons of materials while the Sorocabana hauled 4,007,030 and the busy Santos a Jundiaí carried 5,526,192 tons. Of the forty-seven Brazilian railways in 1949, only the above three transported goods above 3,000,000 tons and none reached the 6,000,000 ton figure.¹⁰

As soon as the road-bed and electrification studies were over, the Vitória a Minas Railway Company signed a contract with its largest stockholder, the Itabira Iron Ore Company, to transport 2,000,000 tons

⁸Pimenta, *op cit.*, p. 56.

⁹Nilo Peçanha was President of Brazil at this time and Francisco Sá, a mining engineer, was his Minister of Transportation.

¹⁰Pimenta, *op. cit.*, p. 62.

of ore yearly during the early years of operation. The railroad company also signed a contract with the port authorities of Vitória to receive and export the anticipated ore production.

By 1912 all the plans had been made to move forward on the combined project. There was, however, still one necessary ingredient lacking—money. Unlike its actions in rail construction, the Brazilian government had not guaranteed interest payments on money invested for electrification of the line. This capital was to be serviced from the railway's earnings derived from the transportation of iron ore. Unfortunately, capital for rail electrification or otherwise was not forthcoming. All the rail company's efforts to secure financial backing in Europe failed. European bankers apparently lacked confidence in the guarantees offered by the company that it could and would transport significant amounts of iron ore. At the same time, these bankers were very much aware of the violent, nationalistic campaign which had been initiated against the exportation and control of Brazilian iron ore by foreign capital. They would consider lending only if the Brazilian government guaranteed such loans and this the government refused to do.

Without financial resources, the railroad company halted any movement toward electrification and by the end of 1913, rail construction on the line had virtually come to a stop. The following year the first World War broke out and the whole Rio Doce project was shelved during its course. The Itabira Iron Ore Company, now in control of the railroad, apparently could not or would not invest its own capital in the project. Brazilian opposition bitterly charged that the Itabira Iron Ore Company wanted favors, privileges and concessions in the ore and railroad fields but wanted the Brazilian government to shoulder the bulk of the risk by guaranteeing the financing of the railroad which the company would control.

After the war, attention was once again given to the Rio Doce developments. In 1919 the Itabira Iron Ore Company commissioned Percival Farquhar, who was well known in international financial circles, to attempt to obtain financial backing for the ore exporting plan. Farquhar had come to Brazil in 1905 from the United States and during a forty year period he had taken the lead in organizing and financing various ventures in the country of his adoption. In this span of years he is said to have been instrumental in investing over \$200,000,000 in private capital in Brazil in such diverse projects as the Rio de Janeiro Tramway, the Brazilian Light and Power Company, the Brazilian Railway Company, the Brazilian Telephone Company, in addition to cattle-breeding experiments and port development.¹¹

¹¹Charles Gauld, "The Last Titan," *Brazilian Business*, XXXII, No. 11 (1952), 24-30.

Before Farquhar was through with this venture, he had expended twenty-two years of his life, much of his personal fortune and had reaped only bitterness and failure.¹²

Meanwhile, by the end of the first World War, the group in control of the Vitória a Minas Railway Company had, after much spade work, freed itself of the December, 1909 obligation to construct—at its own expense—a metallurgical plant. The wording in the contract which *obliged* the company to build such a plant was changed to read that the company *had the right* to construct this plant. This contract revision occurred on June 7, 1916 and was authorized by government decree in December of that same year.¹³

The fact that both the Itabira Iron Ore Company and the Vitória a Minas Railroad were foreign-dominated, plus the added fact that any steel mills built by this combine would also be so dominated, raised intense opposition. The governor of Minas Gerais, Arthur Bernardes, unhappy by the turn of events, took the lead in this opposition by issuing Law #750 on September 23, 1919. This law elevated the state export taxes on iron ore by three cruzeiros per ton.¹⁴ The Itabira Iron Ore Company, taken aback by this new situation which would automatically increase its operating costs, nevertheless, began soliciting specific authorization from the federal government to build blast furnaces, coke ovens, steel mills, and rolling equipment.

As a result of these negotiations, a supplemental contract was entered into between the Itabira Iron Ore Company and the Brazilian government on May 11, 1920.¹⁵ This contract specifically gave the British-controlled company the right to build "... iron and steel mills, railroad lines, and an ore exporting pier in the state of Espírito Santo.¹⁶ Under the contract, future iron and steel mills were to produce a minimum yearly total production of 150,000 tons of bars, sheets, beams, rails, and other steel products. The company was also authorized to build two railway lines; one (supplementing the existing though not completed Vitória a Minas Railway) from the ore mines of Itabira to the port of Vitória, in the state of Espírito Santo; the other from the port of Santa Cruz, also in Espírito Santo, to connect with the existing line of the Vitória a Minas Railway, probably in the vicinity of Collatina.¹⁷ This latter scheme would

¹²Farquhar died in 1953 at the age of 88.

¹³Pimenta, *op. cit.*, p. 63.

¹⁴*Ibid.*, p. 64.

¹⁵The contract signed for the Brazilian government by President Epitácio Pessoa and J. Pires de Rio, his Minister of Transportation.

¹⁶Pimenta, *op. cit.*, pg. 65.

¹⁷*Ibid.*

furnish a cut-off from the main line of the Vitória a Minas for the purpose of giving direct access to the deep-water port of Santa Cruz, located about thirty miles above Vitória. Also authorized was the company's right to construct and operate for its own exclusive use dock-works at this port. However, these docking facilities for handling cargo were to revert to the government at the end of ninety years.¹⁸

The ships employed by the Itabira Iron Ore Company to export iron ore and import materials and fuel for the steel mills were forbidden under this 1920 contract to engage in any other carrying trade without specific authorization from the Brazilian government. For a period of sixty years dating from the arrival of the company's first imported material, the firm was to enjoy exemption from import duties on machinery, raw materials, railway and dock equipment. It was also given exemption from federal consumption and internal revenue taxes during this same span of years. Guarantees were also given against increasing any existing taxes to which the company's business be subject and against the levying of other taxes in the future.¹⁹ This, then, was the famous Itabira Iron Ore contract which created the dissension and bitterness of the next two decades. It was this contract that Farquhar had taken the lead in negotiating.

Little progress was made by the Itabira Iron Ore Company after receiving its liberal concession from the federal government. This inaction was due to various reasons. For one, Farquhar and his associates were at that time unable to obtain the financing for a project of such magnitude.²⁰ For the construction of railroads, port facilities and a steel mill, Farquhar proposed to raise \$80,000,000 in the United States.²¹ However, at this time American financiers were too deeply occupied with the financing of the booming American economy and the reconstruction of war-shattered Europe to give serious thought to a project which was fraught with risk. Other American financiers felt that there was no need yet to develop these Brazilian ores, especially since the ores of the Mesabi Range in the Lake Superior region of the United States seemed ample for future national wants at the time. Nor was investment capital available across the Atlantic. European money markets were badly disrupted during the war and such capital as was available

¹⁸United States Department of Commerce, Bureau of Foreign and Domestic Commerce. "The Brazilian Iron and Steel Industry," by W. L. Schurz. *Trade Information Bulletin*, No. 6 (March 25, 1922). Washington: Government Printing Office, 1922, p. 4.

¹⁹*Ibid.*

²⁰*Ibid.*

²¹Gauld, *op. cit.*, p. 29.

was being used in the rebuilding of the war-torn areas. Great Britain, the great pre-war creditor nation, found itself in the position of debtor nation after the war.

The growth of a highly vocal, nationalistic opposition to any foreign control of Brazilian resources and the failure to reach an agreement with the government of the state of Minas Gerais were also factors in the failure of the Farquhar plan. In fact these two barriers were related since one of the powerful leaders of the Farquhar opposition, as noted, was Arthur Bernardes who was also governor of Minas Gerais, the state in which the iron ore was located.²² Some of the difficulty with the law-makers of Minas Gerais centered around the question of the previously-cited export tax levied on iron ore shipped out of the state. The company was, of course, interested in lowering or eliminating this tax.

Other company requests, however, were equally distasteful to the Minas Gerais authorities. For example, Bernardes stated that permission was asked by the company of his state for the following: company exportation of 95 per cent of the ore produced in the state; free concession of the waterfalls along the railroad right-of-way for a longer period than the duration of the existing contract if necessary; concession of a strip of state land from 5 to 10 kilometers wide along the Vitória a Minas Railway; exemption from all state taxes; and power of expropriation for public utility. "In exchange for these favors," Bernardes continued, "the state receives but one benefit (more apparent than real) which is the setting up of a metallurgical plant in its territory."²³

Governor Bernardes expressed further fear that the Itabira Iron Ore Company would develop a monopolistic character that would prevent any other similar developments in the state, or even in the Republic. He also doubted that the establishment of this steel mill would result in lowering the price of steel to the domestic consumer. Bernardes objected to the dependence of the proposed steel plant on foreign coal, and in this connection he said: "For these reasons the proposed solution of the problem does not harmonize with our interests since it leaves the nation tributary to foreign industry in relation to products already in use in Brazil." Bernardes was adamant in his opposition and so long as he remained a power in the government of Minas Gerais, and the federal government as well (he was president from 1922 to 1926), the Farquhar-backed project was stymied.

Bernardes did not form the only opposition to the Farquhar venture,

²²Bernardes' state Secretary of Agriculture and Industry, Clodimiro de Oliveira, an authority on Brazil's iron resources, was also hostile to this Itabira project.

²³United States Department of Commerce, Bureau of Foreign and Domestic Commerce, Schurz, *op. cit.*, p. 5.

of course. Many other politicians entered the fray. Editors of influential newspapers took up the cudgels against the contract and laid on with will. In fact the Farquhar contract and the requested state concessions touched off a widely-based, violent, opposition campaign. It was not until 1928, some eight years later, that the federal government, now under the more sympathetic hand of Washington Luis Pereira de Souza, could put the contract into execution.²⁴ Prior to promulgation, the contract was slightly amended to read that the railroad would carry ore not only for the Itabira Iron Ore Company, but for other companies as well.

Meanwhile, during this period of intense bickering, the Vitória a Minas Railway passed through several critical financial phases but managed, fortunately, to obtain enough new financial backing to continue construction. By 1930 the railway company had built some 444 kilometers of track and had reached the village of Cachoeira Escura; by 1931 it had reached São José da Lagoa (now called Nova Era) its terminal goal in the iron-ore area.²⁵

With the elimination of official Brazilian government opposition to the Farquhar plan now a reality, the Itabira Iron Ore Company again approached American bankers for loans. The company officials were received with courtesy and interest; nevertheless, they were asked to provide more information on the costs of the whole venture. The Itabira Iron Ore Company then engaged a commission of American specialists headed by T. O. Russell, an engineer, to study the construction of the proposed new rail line (and its associated aspects) from Itabira to Santa Cruz. The plan finally worked out by the Russell Commission included the use of a part of the old Vitória a Minas Railway, although new and separate trackage was to be built for the greater part of the projected line. Included in the new rail construction was to be a 117 kilometer spur from the port of Santa Cruz to Mailasky station on that portion of the Vitória a Minas Railway incorporated into the new plan.

In all, the new railroad was to be about 503 kilometers long with 153 kilometers of this total provided by existing Vitória a Minas trackage. Such things as tunnels, cuts, road-bedding, heavy rails, bridges, drains, telegraph lines and port facilities were all considered in the Russell study. Transportation conditions, according to the planners, would be equal to the best in the world for like terrain and purpose. All this

²⁴Decree-law #5,568, December 11, 1928.

²⁵The Central do Brasil Railroad made contact with the Vitória a Minas at Nova Era in 1936, thus opening the ores of Itabira to eventual domestic consumption by industry in the cities of Minas Gerais, São Paulo and other such industrial centers in central Brazil.

rehabilitation and expansion work was to provide 4,000,000 tons of ore for export a year; and the cost was placed at over 1.5 billion cruzeiros.²⁶ Thus the Farquhar plan by 1929, with the contract secure and with a responsible study made of the project mission and its needs, was ready for fulfillment. It was at this time that fate again dealt an unkind blow to those concerned with the project's success.

In the last quarter of 1929, the Wall Street stock market crash occurred and this helped to touch off the great depression of the 1930's. The flow of foreign investment money into Brazil, and elsewhere, stopped; in fact, such capital began to drift the other way. As a result of this disaster, the Itabira Iron Ore Company was unable to secure financial backing abroad for its undertakings and, consequently, it was unable to take any steps in fulfillment of the obligations called for in the contract. It was because of this failure of contract fulfillment that the new provisional government of Getúlio Vargas declared in May, 1931, the nullification of the 1920 contract. It was asserted by the Vargistas that the company wanted to continue its rights under the contract without the financial means to carry out its obligations. It was further pointed out by them that in the eleven years between 1920 and 1931, the company did not obtain the resources, capital and otherwise for the execution of its plan nor did the future appear more promising than the past.

For some eight years after this nullification, the Itabira Iron Ore Company continued its protests and arguments for a revision of this governmental attitude. But in August, 1939, President Vargas decreed that the 1931 action was irrevocable.²⁷ This ended the grandiose plans of the ill-fated Itabira Iron Ore Company which in the words of Dermeval José Pimenta, "... during thirty years of activities exported no iron ore nor built either railroads or port facilities."²⁸

PART II

At the time that the Farquhar contract was being declared definitely at an end in 1939, a group of Brazilians, including the resolute Farquhar, organized the Companhia Brasileira de Mineração e Siderúrgia with a capital of some two million cruzeiros.¹ The immediate objectives of this company were two-fold; namely, to obtain for itself from the federal

²⁶At the rate of twenty cruzeiros to the dollar, this would be approximately \$75,000,000.

²⁷Decree-law #1,507, August 11, 1939.

²⁸Pimenta, *op. cit.*, p. 68.

¹Roughly about \$116,000 at the 1939 rate of exchange.

government the concessions and favors of the rescinded Farquhar contract and to acquire the property of the Vitória a Minas Railway which was still English-controlled. This whole operation proved to be fast-moving. The new company was organized on August 7, 1939, four days before the government's revocation decree, and ten months later, June, 1940, it had received the necessary concession plus the government's authorization to purchase and incorporate into its plans the Vitória a Minas Railroad. By August 6, 1940 this railway purchase had been effected.

Thus the Companhia Brasileira de Mineração e Siderúrgia in the space of one year, with a capital of two million cruzeiros accomplished the following:² 1) Acquired the stock of the Vitória a Minas Railway for the insignificant sum of Cr. \$253.453,50. The railroad had been capitalized initially in 1910 at 40,000,000 French francs or roughly Cr. (\$19.760.000,00.)³ 2) Acquired from Percival Farquhar and his associates for the sum of Cr. \$6.700.000,00, studies and projects initiated by the Itabira Iron Ore Company. These included the Russell plan research material and plans for port development at Santa Cruz. Farquhar was paid by the new company Cr. \$1.700.000,00 in cash and Cr. \$1.800.000,00 in capital non-voting stock. However, these two payments acquired for the new company only a 52 per cent share of the above projects and plans of the old Itabira Iron Ore Company—48 per cent, value at Cr. \$3.200.000,00 remained in the hands of the Farquhar group. 3) Obtained from the federal government a renewal of the June, 1916 contract which had been made with the Vitória a Minas Railway Company and also a concession for the construction of a railway spur to the iron-ore community of Itabira.

After the culmination of these negotiations, the working capital of the Companhia Brasileira de Mineração e Siderúrgia was raised from two million cruzeiros to seven million cruzeiros through stock issue. Shortly thereafter, Cr. \$3.200.000,00 worth of voting stock was given to Farquhar and his group in payment of the remaining 48 per cent control of the above-cited plans and projects of the Itabira Iron Ore Company. Thus Farquhar and his associates, through stockholdings, remained well placed in the new organization. What had been accomplished by this rapid financial maneuvering was that the newly organized company was now to be controlled and directed by Brazilian private interests rather than foreign interests, thereby mollifying the outspoken nationalists of the nation.

These actions did not satisfy completely the disgruntled elements

²Dermeval José Pimenta, *O Minerio de Ferro na Economia Nacional* (Rio de Janeiro: Gráfica Editora Aurora, Ltda., 1950), p. 48.

³This was at the then rate of 1 franc for every 494 cruzeiros.

in Brazil. Voices continued to be raised against the actions and policies of the past thirty years and against those individuals, Brazilian or otherwise, who had been associated with the Farquhar contract. Moreover, these arguments were telling. For example, it was pointed out that the Vitória a Minas Railroad had, by 1939, some 562 kilometers of line in traffic on which a total of Cr. \$47,012,662.34 had been spent. This capital, in the main, had been supplied during the early part of the century by French capitalists. Now this investment was being acquired for something over 250 thousand cruzeiros—a mere fraction of its original worth—by the Companhia Brasileira de Mineração e Siderúrgia.

This factor was not the greatest point of irritation, however. What was stressed by these critics was the longtime burden placed on the federal government. It was asserted that from the opening days of railroad construction to 1940, the stockholders of the Vitória a Minas Railroad had not spent their own money on the enterprise but instead had depended on other sources to furnish the capital. The original construction loan, as noted, was a French one calling for 5 per cent interest payment on the money. The French-held mortgage, although nominally guaranteed by the stockholders, was said to be actually guaranteed in a round-about-way by the federal government. The government, under the previously mentioned early inducement-contracts, paid 6 per cent interest payments to the borrowers of the French capital; *this money, in part, was spent by the Vitória a Minas Railroad Company for actual construction work. In addition the government's payments were more than sufficient to meet the 5 per cent payment due the French for interest on their principal. Railroad earnings, meanwhile, remained with the stockholders for capital improvements or profits. In reality then, so oppositionists declared, it was the national treasury which really shouldered the financial burden during the many years expended in the construction of the Vitória a Minas Railway. It was also pointed out by them that the Itabira Iron Ore Company which, since 1908, possessed a majority of the railroad's stock, had not invested its own financial resources in the reconstruction and equipping of the railway but rather had searched for other sources to assume those burdens. Nationalists did not overlook the fact that when the Vitória a Minas Railway Company was incorporated into the new Companhia Brasileira de Mineração e Siderúrgia in 1939, the Itabira Iron Ore Company still remained one of its larger stockholders.

The Companhia Brasileira de Mineração e Siderúrgia made various moves to fulfill its newly-granted contract. It started construction work

*This was six per cent in gold on capital invested in such construction to a total of Cr. \$30,000 per kilometer.

on the spur track to Itabira; it actually began the exportation of iron ore; and it initiated construction of a special ore-loading pier at the port of Vitória. Despite such actions, the whole ore project proved too large for the company's resources. Its capitalization of seven million cruzeiros was far too small to permit completion of the tasks it had agreed to under the 1939 contract. Before long the company was far behind in mortgage payments and, in addition, salary payments also fell in arrears. Much of the operating equipment was obsolete or badly worn. The company attempted to get financial assistance in the United States but American financiers were not satisfied with the loan guarantees offered by the company. Nor was the Brazilian government willing at this time to secure any such private loan with the resources of the national treasury. Moreover, powerful voices in the Vargas administration had never been too enthusiastic over the granting of the 1940 contract to the Companhia Brasileira de Mineração e Siderúrgia. It was looked upon by them as a stop-gap measure and not as the ultimate solution to the problem.

When the government declared the contract of the Itabira Iron Ore Company to be at an end in 1939, Vargas and many of his supporters were apparently convinced that it was impractical for just one company to solve two simultaneous problems; i.e. the establishment of a large iron and steel mill, and the exportation of iron ore on a large scale. The precarious financial resources of the Companhia Brasileira de Mineração e Siderúrgia and its vacillating attempts to meet its myriad problems convinced the government that the two fields ought to be separated and the work turned over to more powerful groups. With this in mind, the government attempted to interest private American capital in collaborating with it in the development and solution of these problems. But these American interests equivocated and apparently were not interested unless they could obtain control of any companies which might be formed to operate in the fields involved.⁴ It should also be stated that American capital in general, as a result of the recent Mexican oil expropriations, was not too enthusiastic over further investments in Latin America.

By 1939 the Brazilian government was determined to resolve the steel mill-ore export problem somehow, especially since the war in Europe appeared inevitable. War meant interference with imported supplies of finished and semi-finished iron and steel products; this in turn would affect detrimentally the nation's economy and defense. After due consideration, the Brazilian government decided to solve the twin problems by creating government-controlled corporations to carry the

⁴Pimenta, *op. cit.*, p. 72.

project out, aided by whatever assistance it could get from abroad. Exploratory work was begun immediately and after much study, it was decided that one corporation would concentrate on the building and operation of a steel mill at Volta Redonda while the other concern, named the Rio Doce Valley Company, would concentrate on the exportation of iron ore.

The two corporations that were ultimately organized were "mixed societies" in that Brazilian capital, public and private, and foreign capital participated. Control of the corporations, however, remained in the hands of the Brazilian government. The governments of the United States and Great Britain were approached in 1941 and Brazilian plans were outlined to them. Both nations demonstrated a willingness to cooperate in the execution of the proposed plans and after earnest discussions, representatives of the three nations signed an agreement in Washington, D. C., on March 3, 1942. American acceptance was especially important in that it meant loans for the acquisition of material and equipment from the United States.

At this time, the steel mill was of greatest importance to Brazilian officials but the exportation of high-grade, low phosphorus iron ore was of prime interest to the United States and Great Britain. By now Great Britain was deeply involved in the second World War and was greatly concerned over iron ore for its mills. Britain's pre-war European sources of iron ore were, by the end of 1940, under Axis control.⁵

As a result of this Washington Accord of 1942, the Brazilian Government, by rescinding its contract, brought to an end the short life of the Companhia Brasileira de Mineração e Siderúrgia.⁶ In its stead was created the above-cited Rio Doce Valley Company (Companhia Vale de Rio Doce) which was now assigned the mission of developing the ore-exporting project. The Rio Doce Valley Company purchased all the rights, property and assets of the defunct company and also assumed responsibility for its debts, including the original French loan. The transaction included the Vitória a Minas Railroad which was now to be incorporated into the newly-formed Rio Doce Valley Company. The stockholders of the Companhia Brasileira de Mineração e Siderúrgia were indemnified by the Brazilian government in money equivalent to their security holdings. In addition to this, the national treasury was authorized to transfer to these stockholders, each according to his per-

⁵These included the Bilbao iron ore fields of Spain, the Lorraine iron ore deposits of France and the Kiruna deposits of Sweden. France was conquered. Sweden remained neutral but its Norwegian ore-exporting port fell to the Germans in June, 1940. Spain, under the control of General Francisco Franco was sympathetic to, and cooperated with, the Nazis.

⁶Decree-Law #4,352, June 1, 1942.

centile share in the old company, a total of 7,000 shares of stock in the new corporation which they could keep or sell. Arrangements were also made to pay expenses incurred by the outgoing management for construction on the ore loading facilities at Vitória and on the spur railroad to Itabira. Sundry other expenses were also absorbed by the government.⁷

Under the 1942 Washington agreement, the Brazilian government agreed to build the spur line to the Itabira iron ore deposits and to rehabilitate the Vitória a Minas Railway to the point where it could transport a minimum of 1,500,000 tons of ore annually. This tonnage was to be above and beyond that reserved for the transportation of the commercial crops of the Rio Doce Valley area. Mechanization at the ore mines to expand production was to be inaugurated by the Brazilian government and the ore-loading facilities were to be improved so that they could handle the annual 1,500,000 tons of iron ore. The British government, as a partner to the agreement, purchased the iron ore deposits of the old Itabira Iron Ore Company and turned them over to the Rio Doce Valley Company free of all encumbrances.⁸ The United States government then, through the Export-Import Bank, advanced Brazil the sum of \$14,000,000 for the Rio Doce project and also agreed to render help, financial and otherwise, to the Volta Redonda iron and steel project.⁹ As its financial contribution, the Brazilian government contributed Cr. \$200.000.000,00.¹⁰ In order to guarantee a market for Brazilian iron ore, the governments of the United States and Great Britain contracted to purchase 750,000 tons apiece for three years starting in 1942, the year of the Accord.

With negotiations at an end, the Brazilian government now turned to the task at hand. A cursory inspection of the properties acquired by the government revealed an uninspiring spectacle. Mining conditions at the iron ore site were on the pick and shovel level. Little or no work had been done to build the spur line to Itabira and the whole railroad needed much attention. For example, curves had to be eliminated, grades had to be lowered, heavier rails were needed to replace the light and badly worn existing rails, and the road-bed needed ballasting in its entirety to prevent erosion by the rains. Equipment was old and worn and, in general, too light for the task ahead. At Vitória, the ore-loading facilities had to be completed and the harbor itself had to be

⁷Pimenta, *op. cit.*, pp. 73-77.

⁸Joseph K. Van Denburg, "Itabira is Breaking Its Bottlenecks," *Engineering and Mining Journal*, CLIII, No. 7 (July 19, 1952), 84.

⁹*Ibid.*

¹⁰About \$11,000,000.

dredged in order to handle ships of 10,000 tons capacity. In short, the Rio Doce Valley Company had to start at almost the beginning despite the prior thirty years of activity in this field.

Shortly after the signing of the Washington agreement, work started on the project but progress was slow and tortuous. The problems to be solved were many and the means at the disposal of American and Brazilian engineers assigned to the work were limited. It should be remembered also that by 1942 the United States, the chief supplier of machinery, equipment and technical assistance, was fully committed in the war and only a trickle of such help could be syphoned off to aid in this project. Thus the work progressed fitfully and with mingled effort during the war. Then, adding to Brazilian woes, came the end of the war in 1945 and an appreciable lessening of interest on the part of the United States in regard to the whole Rio Doce venture.

Furthermore, the three-year ore-purchase contract agreed to by Britain and the United States ended in 1945, thus coinciding with the end of the war. Exports of ore by the Rio Doce Valley Company which had been steadily, though unspectacularly, climbing since 1943, dropped by almost two-thirds in 1946. The railroad, which was the key to the ore export problem and which had received the lion's share of the attention during the war years, had lifted its ore carrying total from 45,172 tons in 1940¹¹ to 146,233 tons in 1944; but in 1946 this figure had dropped to something over 40,000 tons.¹² The whole project appeared hopelessly mired.

However, international conditions again came to Brazil's rescue. The latent frictions between the United States and the Soviet Union came to the surface at war's end in the form of a "cold war." As the "cold war" became hotter, the United States again viewed the Rio Doce project with interest. In fact, the project was never completely overlooked. For example, in 1945 the Export-Import Bank lent Brazil \$5,000,000 to continue work in the valley. This loan, after the "cold war" started, was followed in 1948 with a third one for \$7,500,000 for the purchase of added machinery and equipment. Brazilian engineers doggedly kept at the task and were rewarded with steadily increasing production and exportation of ore. In 1948 the Rio Doce Valley Company exported 379,185 tons and in 1950, this figure was pushed to over 700,000 tons.¹³

¹¹The first shipment of iron ore on the Vitória a Minas Railway was by the Companhia Brasileira de Mineração e Siderúrgia in the year 1940. In this same year, the ship "Modesta" loaded Rio Doce Valley ore for the first time for a foreign state; some 5,740 tons for Great Britain. The above company operated only one more year, in 1941, and then was supplanted by the Companhia Vale do Rio Doce in 1942.

¹²Pimenta, *op. cit.*, p. 87.

¹³"Companhia Vale do Rio Doce, S.A.," *O observador*, ano XVIII, No. 208 (Junho, 1953), p. 80.

The year 1952 was a year of great rejoicing for Brazilians in general and the Rio Doce Valley Company in particular. By a happy coincidence, 1952, which marked the 10th year of the founding of the company, was the first year the company met and surpassed its target of 1,500,000 tons set a decade before. In 1952 the company exported from Vitória 1,507,013 tons of iron ore.¹⁴ (Figure 1).

Figure 1

IRON ORE PRODUCTION, TRANSPORTATION AND EXPORTATION
BY THE RIO DOCE VALLEY COMPANY, 1942-1952

Year	Tons Production	Tons Transportation	Tons Exportation
1942.....	31,263	31,263	34,849
1943.....	65,122	60,717	61,937
1944.....	145,208	146,265	125,191
1945.....	111,368	110,925	100,093
1946.....	44,735	42,898	40,317
1947.....	177,636	160,879	171,545
1948.....	383,601	375,836	379,185
1949.....	476,776	471,017	464,478
1950.....	701,885	694,757	710,399
1951.....	1,314,133	1,307,473	1,273,978
1952.....	1,794,870	1,517,883	1,507,013

Source: "Companhia Vale do Rio Doce, S.A.," *O observador*, ano XVIII, No. 208 (Junho, 1953), 80.

Of this total the United States purchased the greatest share as the following figures indicate:¹⁵

	Tons	Per Cent
United States	1,037,579	68.9
Canada	122,741	8.1
Europe	346,693	23.0
	1,507,013	100.0

It was not only the exportation of ore which established new company records; mining production which made this exportation possible reached 1,794,870 tons. In addition, some 10,541 tons of *canga* was produced by the company for local consumption.¹⁶ These favorable results were made possible, in large part, because of the completion of the mechanization work at the mines and the rehabilitation and efficient operation of the Vitória a Minas Railroad.

The long years of steady effort in the Rio Doce Valley have now begun to bear fruit. Exportation of its rich iron ore has meant the earning

¹⁴*Ibid.*, p. 79.

¹⁵*Ibid.*, p. 81.

¹⁶A lower quality type ore.

of badly needed foreign exchange for Brazil, especially dollars. Iron ore exports for the banner year, 1952, were estimated to have brought Brazil almost \$24,000,000. The export trend since then, along with dollar earnings has been steadily upward.¹⁷ The capital of the company has also grown significantly. In 1952 capital amounted to Cr. \$650.000.000,00; a figure over three times that of 1942.¹⁸ This capital at present is subscribed to by the federal government, state governments, municipalities and individual Brazilian citizens. The federal government, however, possesses 85 per cent of the company's stock and complete control of its administration and production. The overall operations of the company for the historic year 1952 also were very satisfactory as the following figures indicate:¹⁹

Receipts	Cr. \$615.464.054,70
Expenses	" 433.588.124,80
	Cr. \$181.875.929,90

The 181-million cruzeiro profit figure, after meeting loan payments — both American and Brazilian, operating expenses, taxes and group insurance for the employees reserve fund, was still able to pay a 6 per cent dividend to the holders of preferred stock. Some \$11.400.000,00 cruzeiros were paid out in such profits. This was a greatly changed economic financial situation from that which prevailed in previous years. Then it seemed that the company's problems were insurmountable and all the money was going one way — into the company.

With the success of this first step of its program assured, the company has now embarked on plans to expand production and exportation to 3,000,000 tons of ore a year. Preliminary studies have already been made and a new loan amounting to \$3,900,000 was secured in June, 1955 from the Export-Import Bank in Washington. Both American and Brazilian authorities are hopeful that this second project-phase can be brought to a successful completion far more rapidly than the first.

¹⁷"Companhia Vale do Rio Doce, S.A.," *op.cit.*, p. 80.

¹⁸The company was capitalized in 1942 at Cr. \$200.000.000,00.

¹⁹"Companhia Vale do Rio Doce, S.A.," *op. cit.*, p. 85.

ARTE Y ARTISTAS EN LA ARGENTINA

F. Borghini

El tema de este ensayo que a primera vista podría parecer carente de interés general, entra, sin embargo, dentro de una órbita cultural sudamericana común, pues la evolución del arte en nuestro hemisferio latino es muy parecida en todos los países que lo integran. Todo el arte sudamericano se encuentra todavía en formación y únicamente Méjico — país que cuenta con una gran tradición indígena-colonial — nos ofrece, y es la primera y la única entre las naciones de América Latina — un panorama artístico original basado en la obra de sus *muralistas*. Todas las demás, inclusive la Argentina, aún tienen sus posibilidades creativas en gestación. Podemos afirmar sin temor que todo el arte sudamericano se está formando; hasta ahora sólo poseemos obras de arte creadas por las culturas indígenas y por las de la época colonial, época en la que es necesario reconocer que la potencia colonizadora — España — poco se ocupó de las manifestaciones artísticas en general. Salvo casos especiales y en cierto sentido aislados, como por ejemplo la reconstrucción de La Habana, destruida por los ingleses en el siglo XVIII, el gobierno metropolitano descuidó el mejoramiento arquitectónico de sus colonias.

Dado que la línea evolutiva del arte sudamericano es prácticamente paralela en todos estos países que reponen a una sincronización político-económica bastante similar en su aspecto (sincronización que es muy fácil de apreciar en su secuencia histórica), estamos ahora en condiciones de poder señalar determinadas influencias que han incidido en dicha línea evolutiva y se han incorporado a ella. Esta comienza — salvo excepciones como Méjico y Perú que cuentan con una vigorosa tradición — en la época colonial con los trabajos arquitectónicos de los jesuitas. Las comunidades religiosas influyeron decisivamente en el florecimiento de las artesanías locales. Luego esta evolución padeció la influencia del academicismo del siglo XIX y por último sufrió una ruptura formal pro-

vocada por las nuevas escuelas europeas. Es una evolución simple, históricamente nueva y fácil de precisar en sus lineamientos generales pues el desarrollo continental sudamericano, en todos sus aspectos — culturales, políticos y económicos — es casi constantemente igual.

El hecho de que podamos señalar dentro de la evolución histórica del arte sudamericano ciertas y determinadas influencias — en el caso concreto de este artículo la influencia italiana en la Argentina —, nos indica que es posible esbozar una visión de conjunto que nos permitirá determinar los distintos elementos que podrían integrar ese futuro arte sudamericano y latino que todos aún estamos esperando.

He elegido como tema la influencia artística italiana en la Argentina pese a la gran importancia de la escuela de París en los comienzos del siglo actual, por un motivo muy simple: en la Argentina la italiana ha sido una influencia constante. Sus artistas son, en su gran mayoría, italianos de origen, cuando no por nacimiento. Además en estos momentos, culturalmente Italia es uno de los países que más atraen nuestro interés. Reconozco, sin embargo, que en determinados países — Cuba por ejemplo — dicha influencia es casi nula. Con todo es evidente que en gran parte de América Latina se ha producido un fenómeno semejante al que podemos estudiar en la República Argentina: un incesante contacto con la cultura y con el arte italianos, contacto que, desde hace una década se hace cada vez más estrecho y más necesario. En el caso especial de la Argentina no deseo causar la impresión de que la actividad de los artistas italianos ha sido la única que ha creado determinadas posibilidades de creación artística. Junto con los italianos han trabajado, y trabajan, artistas de todas nacionalidades: franceses, españoles, alemanes e ingleses, peculiaridad ésta que no debe extrañarnos pues es lógico que así ocurra en los países que tienen gran caudal inmigratorio. Por lo tanto la influencia italiana no ha sido la única, pero sí la más importante. Estudiaremos dicha preponderancia en este artículo *desde un punto de vista netamente didáctico*. Lo que deseo es, simplemente, proporcionar una síntesis que no tiene, ni puede tener carácter crítico-estético definitivo, dado el desorden mismo del poco material existente acerca del tema.

Los datos necesarios están esparcidos en una serie de estudios y de libros y hasta ahora sólo podemos apoyarnos en un único ensayo que abarca expresamente nuestro tema. Romauldo Brughetti, conocido crítico argentino e hijo del pintor del mismo nombre, publicó *Italia y el arte argentino*, libro que utilizo como guía para evitar errores y para aumentar mi propia información.¹

¹El libro en sí mismo es otra prueba de la estrecha colaboración ítalo-argentina en el campo cultural. Efectivamente, fué publicado en 1952 por la institución Dante Alighieri, pues obtuvo el primer premio en un concurso por ella instituido y cuyo tema está implícito en el título de ensayo.

Escuetamente dice Brughetti con palabras que pueden servir para fundamentar este artículo: "¿Que existen lazos válidos entre Italia y Argentina, en los artistas de nuestro país hacia los italianos? Indudablemente, y este acercamiento cultural tiende a seguir una ruta de unidad de vida trascendida, de idéntica manera como en el siglo XIX el movimiento de liberación política italiana se adentró en nuestro pensamiento y acción nacionales."

Leonardo Gribeo fué el primer "inmigrante" italiano que desembarcó en nuestras playas; llegó a esta región del Nuevo Mundo como tripulante en la expedición del fundador de Buenos Aires, D. Pedro de Mendoza. Un siglo más tarde comienza la influencia italiana en el virreinato del Río de la Plata. A pesar de que Humboldt condenó la obra llevada a cabo por las misiones debemos reconocer que, gracias a ellas y especialmente gracias a la actividad de sus miembros, se propagaron en estas colonias españolas los primeros elementos estilísticos del arte italiano. Las iglesias construídas por los jesuítas se basan en un único modelo que los arquitectos tomaron como norma: la iglesia de Jesús, de Roma, proyectada por Vignola y cuyas características principales son planta de cruz latina, capillas laterales y cúpula central. Este es, en líneas generales, el esquema arquitectónico que trajeron y aplicaron los jesuítas en todas sus construcciones religiosas. De esa manera, la arquitectura renacentista italiana, ya transformada por el barroco en esa época, se afina en América. Penetran en el virreinato del Río de la Plata los elementos estilísticos de Vignola y de León Bautista Alberti: es así como los grabados italianos del siglo XVII — y en la misma realidad por supuesto —, encontramos iglesias peninsulares a las que se asemejan mucho algunas de las construídas en el Nuevo Mundo.

A fines del siglo XVII actuó el jesuita Brasanelli en las misiones guaraníes, es decir en los establecimientos que la Compañía de Jesús poseía en el norte del virreinato del Río de la Plata. Proyectó iglesias (Itapúa, Loreto y San Borja), esculpió y pintó temas que por supuesto son religiosos. Este jesuita milanés fué el primer arquitecto, también el primer escultor y el primer pintor, del Río de la Plata. Se atribuyen a su actividad escultórica las diez estatuas que adornan el altar mayor de la iglesia de Loreto. Poco tiempo después, en el año 1717, llegaron otros dos jesuítas italianos, Giovambattista Primoli y Andrea Bianchi, quienes fueron los arquitectos más importantes del período colonial argentino y que, tanto por la intensa actividad desplegada como por la magnitud de las obras realizadas merecen ampliamente el elogio de un historiador que afirma que "colman los anales arquitectónicos de todo un siglo." A través de las iglesias construídas por ellos se expandieron los elementos estilísticos de Vignola.

Ambos fueron infatigables y con frecuencia sus nombres aparecen unidos en los proyectos de las iglesias. Recorrieron casi todo el país dejando en él sus huellas artísticas. Refiriéndose a Primoli quien trazó los planos del Cabildo y construyó las iglesias de San Francisco, la de la Merced y la del Pilar — esta última es una verdadera joya colonial por su pureza estilística — y participó en la construcción de las catedrales de Buenos Aires (trabajó en la fachada en 1727, demolida 50 años más tarde) de Córdoba (capital de la provincia del mismo nombre) el padre Cattaneo escribía: "Questi è un fratello incomparabile, infaticabile. Esso ne è l'Architetto, il Capomastro, il Muratore, ed è necessario che sia così perchè gli Spagnuoli non se ne intendono un fico, tutti intenti a fare buona borsa, il resto poi loro importa."²

Como ya he dicho ambos arquitectos, Primoli y Bianchi, trabajaron en estrecha colaboración. Bianchi tomó parte activa en la construcción de las iglesias de San Francisco, de San Telmo, San Ignacio, de la Merced y del antiguo convento de las Catalinas en Buenos Aires. Además trabajó en las dos catedrales anteriormente mencionadas, y en la construcción de la Iglesia del Pilar. La arquitectura italiana influyó notablemente en la transformación de las líneas coloniales que siguieron principios estilísticos de sencillez y de valorización de planos.

Gracias a la actividad desarrollada por estos sacerdotes la fisonomía de la ciudad de Buenos Aires fué transformándose paulatinamente: "Perlochè a poco a poco Buenos Aires si va mettendo in tale stato che potrà mirarsi senza disprezzo dagli europei,"³ escribía el Padre Gattaneo en el año 1779.

La actividad arquitectónica de influencia italiana o llevada a cabo directamente por italianos, fué continua en Buenos Aires desde — y como ya hemos dicho durante — el período colonial. Evidentemente desde el siglo pasado transformaron el aspecto de Buenos Aires. A los elementos renacentistas y barrocos incorporados al arte colonial — que por desgracia prácticamente desapareció en esa época, debido sobre todo a la incompreensión de la sensibilidad de ese momento — se yuxtapusieron además elementos propios de los estilos dorio, corintio y toscano. Ingenieros, arquitectos y constructores participaron activamente en la renovación del urbanismo de Buenos Aires. Broggi, Arnaldi, Canale, Morra, Meano, Aloisi y Buschiazzi son los nombres más importantes. Tamburini proyectó la Casa Rosada — sede oficial del gobierno — y el teatro Colón, el primer auditorium argentino, edificio que más tarde fué completado por otro

²"Este es un hermano incomparable, infatigable. Es arquitecto, capataz de obras, albañil; y es necesario que sea así pues los españoles no saben un camino, están todos ocupados en llenar la bolsa y el resto no les importa nada."

³"Y por esta razón Buenos Aires va adquiriendo un aspecto tal que podrá ser mirada sin menosprecio por los europeos."

arquitecto italiano, Meano, quien además es el autor del Palacio del Congreso. Novoa planeó la Biblioteca Nacional; Canale y Buschiazzo la iglesia de la Piedad. Fossati, por su parte, proyectó una nueva fachada para la catedral de Buenos Aires y trazó la planta del Palacio del Arzobispado. Durante la intendencia de D. Torcuato de Alvear las obras de embellecimiento de la ciudad marcharon a pasos agigantados: jardines, avenidas, edificios públicos, todo estaba incluído en un plan general trazado por el arquitecto Buschiazzo.

Teniendo en cuenta la breve nómina de los principales edificios nombrados y que fueron realizados por arquitectos italianos, es fácil comprender que la fisonomía peculiar de la capital argentina ha sido esbozada y modificada constantemente por la actividad artística de los italianos. Un detalle curioso y si se quiere hasta significativo: en 1830 había en Buenos Aires una sola casa de dos pisos y su propietario era un italiano.

Otros dos monumentos importantes fueron dirigidos por un italiano un tal Masella. Uno de ellos es la iglesia de Santo Domingo en la ciudad de Buenos Aires; además se le atribuye la construcción del antiguo santuario de Luján, ubicado en la ciudad del mismo nombre en la provincia de Buenos Aires. El arquitecto Gamba, por su parte, intervino en la construcción de la catedral de la ciudad capital de la provincia de Buenos Aires, llamada La Plata. La actividad arquitectónica italiana aún continúa en la actualidad y poderosas compañías comerciales construyen en Buenos Aires sus edificios propios, el de la Italmar por ejemplo, que se yergue en la calle Florida, una de las más elegantes de Buenos Aires. También podemos citar el edificio, si se quiere más modesto, que posee la Dante Alighieri, asociación cultural. En muchos de estos edificios de carácter comercial o cultural los elementos modernos surgidos del futurismo y de la arquitectura italiana de estos últimos treinta años, ocupan un lugar muy destacado.

Tiene relación con esta corriente artística arquitectónica a que estamos aludiendo, el adelanto edificio del centro de la ciudad de Mar del Plata, importante ciudad veraniega de la provincia de Buenos Aires.

Después de la última gran guerra se han establecido en la Argentina gran cantidad de arquitectos y de artistas italianos en general. Y a ellos se debe, en una proporción bastante elevada, gran parte del progreso que en materia decorativa se puede observar en últimos años en las grandes casas comerciales o particulares de esta ciudad.

También en otra actividad artística, la pintura, encontramos desde los primeros tiempos de la colonización las huellas de los italianos.

Dejando a un lado al jesuita Brasanelli, de quien no conservamos ninguna obra (conocemos algunas, sin embargo, por referencias: el padre Oliver elogia, al hablar de la iglesia de San Francisco de Borja, el cuadro del santo que adornaba el altar mayor y que era obra del jesuita

citado), hallamos los primeros testimonios en el Museo Hidrográfico de Madrid. Se trata de dos panoramas de la ciudad de Buenos Aires, descubiertos por González Garaño y realizados por el italiano Ferdinando Brambila, dibujante de la expedición de Malaspina. Del mismo autor nos restan además algunos aguafuertes que sólo poseen valor iconográfico (1794). Brambila no se estableció en Buenos Aires pues era pintor de cámara de Fernando VII y además estuvo sólo de paso en el Río de la Plata, con esa expedición de Malaspina que recorrió varias colonias españolas.

A principios del siglo XIX la colectividad italiana radicada en Buenos Aires sólo contaba con un centenar de personas. Entre ellas dos pintores: Angelo Campone y Cerruti, a los que cuatro años más tarde se les agregó el escultor genovés Teruel. Campone, pintor romano, prácticamente fué uno de los primeros artistas que tuvo una escuela particular. Más o menos en esa misma época el pintor Caccianiga actuó en la enseñanza oficial. Campone fué comisionado por el virrey para ejecutar los decorados—tanto en Buenos Aires como en Montevideo—que se utilizaron durante los festejos organizados para celebrar la coronación de Fernando VII. De este pintor ha llegado hasta nosotros un retrato de relativo valor artístico.

Pocos años más tarde, estamos más o menos en el 1828—otro italiano—debemos prestar atención pues en algunos textos figura como de nacionalidad francesa—Carlo Pellegrini, se incorpora a la vida porteña, es decir a la vida de la capital del Virreinato, Buenos Aires. Huyó de Italia en la época de la ocupación austríaca—Revolución Piamontesa del 1821—y llegó a Buenos Aires contratado como ingeniero (había estudiado en Turín y en París). Como las ganancias obtenidas con el ejercicio de su profesión no le bastaban para subsistir, recurrió a la ayuda del arte dedicándose a hacer retratos de las personas más destacadas de la sociedad de la época. Es éste un caso interesante en la pequeña historia del arte, pues por lo común, y a la inversa de lo que pasó a Pellegrini, los artistas deben ejercer alguna profesión liberal para poder ganarse la vida. En general los retratos ejecutados por Pellegrini son correctos y fidedignos. Escrupulosamente realizados, reproducen fielmente el ambiente de la época; sus "Vistas de Buenos Aires" son interesantes documentos que demuestran que Pellegrini poseyó un amplio y erudito conocimiento de las costumbres argentinas. Su hijo fué, años más tarde, Presidente de la República Argentina. En la misma época que Pellegrini, otro pintor italiano, Fiorito o Fiorini, pintó retratos de la sociedad porteña, los cuales también fueron ajustados y fieles.

Gaetano Descalzi es otro artista retratista que conoce su oficio. Nos ha dejado dos retratos de D. Juan Manuel de Rosas—dictador durante varios años de la nueva nación. El mejor de los dos se encuentra en la

actualidad en el Museo Histórico Nacional de Buenos Aires.

Los retratos de Descalzi, si bien poseen cierta penetración psicológica, tienen sobre todo valor iconográfico, antes que puramente pictórico. En su máxima expresión alcanzan cierta corrección formal dentro de la corriente estrictamente naturalista. Esta corriente sufrió una notable evolución por obra del pintor Manzoni, milanés de nacimiento, quien introdujo en la Argentina una atmósfera distinta. Poseedor de una manera suntuosa, abarcó varios géneros, y expresó en sus escenas populares, bodegones, etc., — sobre todo mediante el colorido — un sentido pre-romántico, ceñido todavía, sin embargo, por el naturalismo y por la implacable objetividad académica. Este pintor residió en forma intermitente en el Río de la Plata durante la segunda década del siglo pasado.

En esa misma época trabajó en Buenos Aires — también en el Brasil y en el Uruguay — Baltassarre Verazzi quien en resumen residió en América entre los años 1835 y 1868. Intervino — y junto con él el escenógrafo Giorgi y el escultor Cheronetti, ambos también italianos — en los trabajos de decoración del Teatro Colón.

En cierta época se pintaron numerosas paisajes de motivos americanos. Eso era debido en parte al interés suscitado por los relatos de grandes escritores (Humboldt, Chateaubriand) y, en el caso concreto de la Argentina, por las crónicas de varios viajeros ingleses (Gillespie, Robertson, Haig, Caldleugh, Andrews, Head, etc.). A dichos temas se dedicó el pintor veneciano Aguiari. De Martino, en cambio, se interesó por las composiciones históricas y por los temas marinos.

A mediados del siglo XIX, luego de la caída del régimen de Rosas, durante la presidencia de Mitre se fué organizando la enseñanza artística en forma oficial. Se otorgaron las primeras becas para cursar estudios en Europa. Los primeros becarios argentinos, por lo tanto, iniciaron un movimiento de reflujo — no en cuanto a la influencia, evidentemente, sino a las personas — en el curso de los contactos mantenidos con la cultura italiana.

El país recibió durante más de un siglo y medio el aporte continuado que significó el constante arribo de un discreto número de artistas italianos, de los cuales una gran mayoría se afincaron definitivamente en la Argentina. Llegó entonces el momento en que los argentinos, que ya habían asimilado los conocimientos técnicos y estilísticos habituales en ese siglo académico y verista dirigieron sus afanes hacia los viajes a Europa, y, especialmente hacia los viajes a Italia y a Francia. Casi todos ellos, después de haber estudiado en la Argentina, generalmente bajo la dirección de artistas italianos, se perfeccionaron en Italia, en sus dos capitales del arte: Roma y Florencia.

El primer becario argentino fué Mateo Boneo. Obtuvo su segunda beca durante la presidencia del general Mitre. En esa época se radicó en

Florescia (1857); en total residió en Italia siete años. A su regreso a la tierra natal se dedicó a las escenas costumbristas.

Tanto Lastra, otro becario argentino, — junto con Blanes un uruguayo residente en Buenos Aires — como Bouchet, Della Valle y Boneo fueron discípulos del florentino Ciseri, un pintor bastante discreto; Gutiérrez, en cambio, estudió con Domenico Morelli.

Cuando regresaban a la Argentina la principal preocupación de todos estos becarios era preparar un ambiente propicio a las artes, luchando, en la mayoría de los casos, contra un medio completamente indiferente, cuando no hostil.

Pero muchos de estos artistas se dedicaron a la enseñanza — *Sociedad de Estímulo de Bellas Artes* — o se preocuparon por organizar las primeras exposiciones en las asociaciones artísticas — *El Ateneo* y *La Colmena*; entonces, lógicamente no tuvieron tiempo suficiente como para continuar cultivando sus actividades específicamente pictóricas. Su papel convierte en el de transmisores de conocimientos, no creadores. Della Valle, Ballerini y Guidice — este último un italiano que llegó muy joven al Río de la Plata — son los nombres que dominan durante este fin de siglo. Todos ellos son de neta formación académica italiana.

La enseñanza se fué organizando rápidamente. La *Sociedad de Estímulo* fué nacionalizada en el año 1905; y de ella proviene la *Academia Nacional de Bellas Artes*, cuyo primer director, De la Cárcova, había estudiado en Turín. En la expresión de su arte este artista adoptó la tendencia social que primaba en los artistas italianos desde fines del siglo anterior.

A principios del siglo actual la producción artística argentina ya estaba bastante afianzada. En ese momento podemos señalar una dominante atracción por el arte francés. Notemos sin embargo que cuando nos referimos al arte francés estamos hablando del arte de París, pero no el del París que experimenta en forma vital las expresiones más modernas, sino el académico. Esto es fácil de comprender si reflexionamos un poco, pues hay que tener en cuenta que los artistas argentinos viajaban a París con el objeto de asimilar, especialmente, conocimientos técnicos en las escuelas oficiales francesas que por supuesto ignoraban los fermentos nuevos que por aquellos años estaban en pleno proceso de agitación. Con todo y pese a la atracción por el arte oficial de Francia, que es dable descubrir en la mayoría de los argentinos de aquella época, no fueron pocos los que además se encaminaron hacia Italia.

Brughetti — y con este buen pintor entremos de lleno en el impresionismo — residió más de quince años en Italia. Obtuvo varias recompensas en muestras colectivas. Su color, integrado por tonos bajos, es pastoso y potente; utiliza un claroscuro muy personal. De él se cuenta una conocida anécdota que demuestra claramente contra qué tipo de

ambiente tuvieron que luchar los primeros artistas argentinos, — también los italianos de la generación anterior. Se dice que cierta vez, a poco de su regreso a Buenos Aires, estaba pintando al aire libre. ¡Le azuzaron unos perros porque supusieron que era un brujo!

Si nos viéramos obligados a formular a grandes rasgos un juicio crítico acerca de la producción artística del siglo XIX, (tanto de autores argentinos como italianos) nuestras palabras, evidentemente, serían condenatorias. Fué una época estrictamente formalista y académica; — sin embargo Italia en ese tiempo produjo varios artistas vigorosos: Cremona, Fattori, Segantini, entre otros muchos. Pero debemos decir algunas palabras en descargo de los artistas argentinos. Los becarios que estudiaban en Italia en realidad no estaban en condiciones — dada la tendencia imitativa y formulista del academicismo—de asimilar las enseñanzas proporcionadas por las obras del primer Renacimiento, época demasiado medida para sentir la aspereza de un Ciotto o la "terribilitá" de un Miguel Angel.

Pese a que la atracción por París fúe muy intensa en los primeros años del siglo los más importantes pintores argentinos actuales (Spilimbergo, Soldi, Castagnino, . . .) son de neta procedencia y formación italianas.

En el momento actual la atracción por Italia es muy acentuada. Atracción que, después de la última guerra, irradia sobre todas las personas y sobre los artistas en particular, quienes ya están en condiciones de aprovechar aquellas enseñanzas que los integrantes de la generación anterior, por las causas ya contadas, no pudieron asimilar. Actualmente, para todos nosotros, los jóvenes, un viaje a Italia es imprescindible. Ya casi todos los artistas de alrededor de 30 años de nuestro medido (Monaco, Testa, Morales, Román, . . .) lo han podido realizar y yo mismo estoy en vísperas de embarcarme por tercera vez rumbo a Italia.

Tiglio, Russo, Panagiotópulos, Scordia . . . son otros jóvenes artistas radicalmente influídos por los pintores modernos italianos—la influencia italiana en la actualidad, se basa en dos aspectos: primitivos y modernos — especialmente por Sironi (en 1954 la galería Bonino de Buenos Aires presentó una exposición importante de este pintor y otra, menos significativa, de Severino) y Campigli.

Un poco al azar he elegido, para citarlos como ejemplo de mis palabras, a una serie de artistas argentinos que confirman la tesis que he desarrollado en este artículo; unos, estudiaron con artistas italianos; otros, residieron mucho tiempo en Italia; en la gran mayoría, por otra parte se cumplen ambas condiciones. Además casi todos poseen apellidos que por sí mismos son significativos: su procedencia es netamente italiana. Caraffa, Ballerini, Della Valle, Sivoni, Schiaffino, Collivadino, Ripamonte, Quirós, García del Campo, Maggido, Lacamera, Botti, Bonasso, Cordi-viola, Quinquela, Victorica, Diomede, Policastro, Daneri (un pintor muy

serio y honesto), Butler, Vanzo, Faggioli, Forte, Castagna, Scotti, Guastavino, Garavaglia, Soldati, Bay, Centurión, Solari, Parravicini, Badi, Pedemonte, Pettorruti (plástico de gran valor), Spilimbergo (otro artista de gran potencia: su dibujo entronca directamente con el dibujo italiano del *Quattrocento*), Soldi (artista delicadísimo), Del Prete, Ferrari, Miraglia, Piersi, Farina, Larco, . . .

Hemos analizado hasta ahora la pintura y la arquitectura. En la escultura, desde los primeros momentos encontramos nombres italianos, y los escultores, lo mismo que los demás artistas, fueron y van siempre a Italia a perfeccionar su arte. En el siglo XIX podemos citar a Correa Morales; Cafferata y Desco alcanzaron, además, los primeros años de la centuria actual.

Pero no solamente los escultores que se mantenían dentro de los cánones tradicionales — Zonza Briano, Yrurtia, Leguizamón Pondal, Rigagnelli, . . . — viajaban hacia Italia, también los adeptos a las formas más nuevas — Fontana, etc. — han realizado el casi obligatorio peregrinaje a Italia. El más conocido, Fontana, actualmente vive y trabaja en Italia.

La situación de los escultores ha sido bastante semejante a la de los pintores y no quiero fatigar al lector con datos y desarrollos históricos parecidos a los ya esbozados con respecto de la pintura.

Debemos señalar, sin embargo, que en Buenos Aires pudimos apreciar hace años dos importantes exposiciones de escultura italiana: en 1947 la de Messina y en 1949, la Manzú. Bigatti, Troiani, Fioraventi, Sassono, Badi . . . son nombres que no podemos olvidar en una brevísima reseña de la escultura ítalo-argentina.

LINEAS FINALES

Con estas líneas he reseñado, un poco áridamente quizá, la estrecha y continua unión de dos países a través de su arte. Unión muy favorable por cierto a nuestros artistas argentinos pues dentro de la gran tradición artística existen una serie de elementos de gran importancia que pueden — y hasta deben — ser asimilados. Romualdo Brughetti dice, acerca de este contacto:

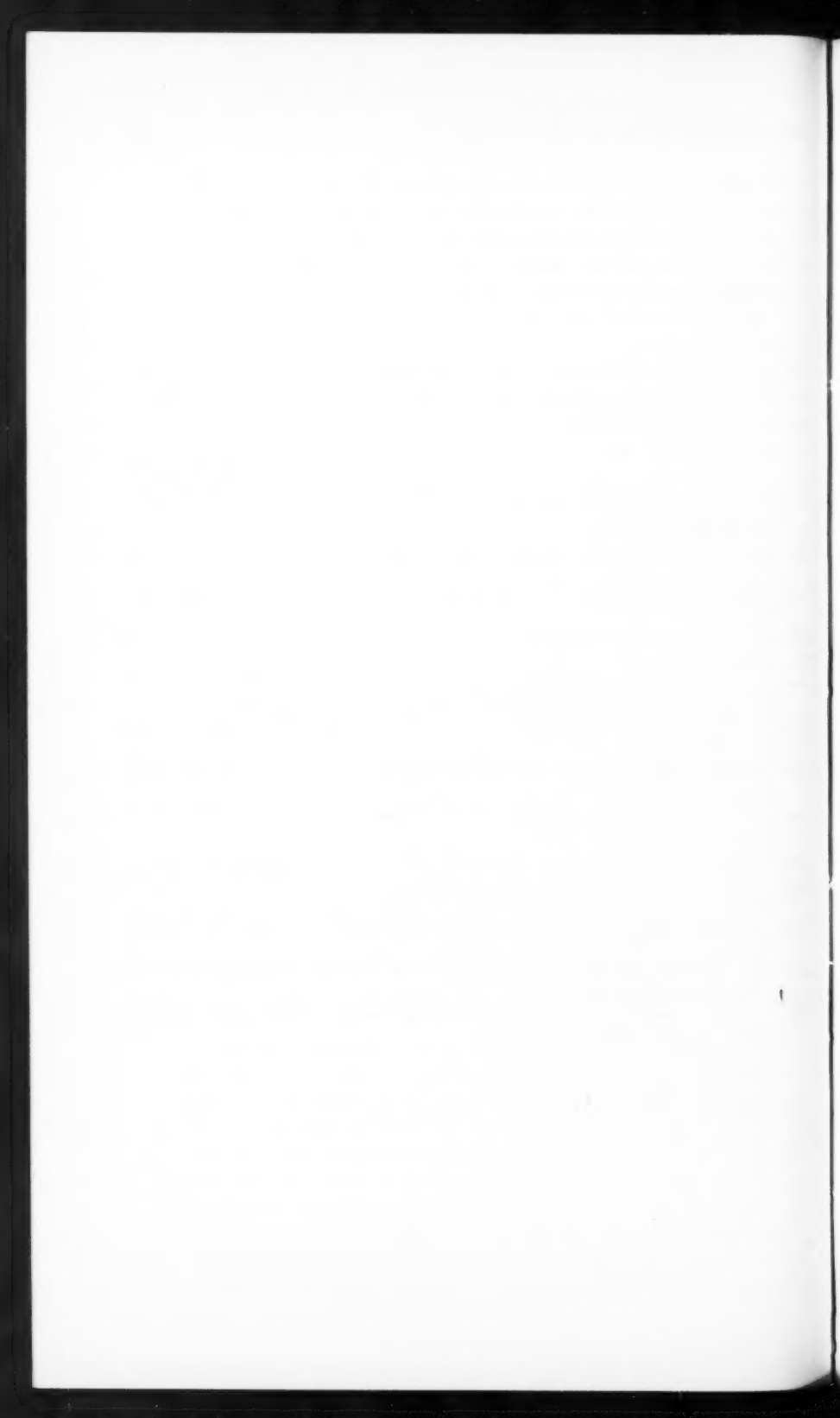
. . . Quiero detenerme en un nuevo motivo de meditación al considerar los aportes en su totalidad de los artistas argentinos que viajaron a Europa a partir de la segunda mitad del siglo XIX hasta nuestros días. Se han sucedido escuelas, orientaciones, cambios bruscos, reconsideraciones, proyectos innumerables. Al cabo de diez décadas el arte concebido por los argentinos equivale a conquistas en nuestra historia del gusto y la calidad en en juzgamiento del hecho artístico. Por su conducto, hemos transmitido a través de expresiones estáticas y dinámicas, versiones del alma y del cerebro, síntesis de la con-

ciencia y la realidad y en el conjunto de los problemas frecuentados, resueltos o desbrozados, nos hemos ido aclarando y afinado hasta comprender que una obra de arte es la suma de los fervores de la intuición y de la inteligencia, el punto de engarce entre la vida y el sueño al margen de la entretenida anécdota o el documento realista.

Estas líneas del crítico sitúan al lector hasta el momento actual — momento difícil e inquieto — en que el artista argentino busca aún su propia expresión artística.

BIBLIOGRAFIA

- Bilbao, Manuel. *Buenos Aires desde su fundación hasta nuestros días*. Especialmente el período comprendido entre el siglo XVIII y el XIX. Imprenta Juan A. Alsina, Buenos Aires, 1902.
- Bilbao, Manuel. *Tradiciones y recuerdos de Buenos Aires*. Ed. Librería del Colegio, Buenos Aires, 1934.
- Brughetti, Romualdo. *Italia y el arte argentino*. Ed. Dante Alighieri, Buenos Aires, 1952.
- Córdova, Iturburu. *La pintura argentina del siglo veinte*. Ed. Atlántida, Buenos Aires, 1958.
- Furlong, Guillermo, S.J. *Arquitectos argentinos durante la dominación hispánica*, Tomo IV. *Cultura Colonial Argentina*. Ed. Huarpes, Buenos Aires, 1946.
- Furlong, Guillermo, S.J. *Los jesuitas y la cultura rioplatense*. Ed. del autor, Montevideo, 1933.
- Homero Brest, Jorge. *Pintores y grabadores rioplatenses*. Ed. Argos, Buenos Aires, 1951.
- Lozano Moujan, José María. *Apuntes para la historia de la pintura y escultural argentinas*. Buenos Aires, 1922.
- Pagano, José León. *El arte de los argentinos*. Ed. del autor, Buenos Aires, 1938.
- Payró, Julio E. *A Century and a Half of Painting in Argentina*. Catálogo con 104 reproducciones. Buenos Aires, 1956.
- Rojas, Ricardo. *Eurindia*. Tomo V de las obras completas. Ed. Librería La Facultad, Buenos Aires, 1924.
- Schiaffino, Eduardo. *La pintura y la escultura en la Argentina (1783-1894)*. Ed. del autor, Buenos Aires, 1933.
- Sibelius, Marco. "Orígenes de la pintura argentina. Los precursores y los primitivos," *Revista Augusta*, junio 1918, pag. 53.



THE ECONOMIC GROWTH OF LATIN AMERICA: MOTIVATIONS, PROSPECTS AND PROBLEMS

David H. Shelton

Rapid growth in output of real goods and services and consequent improvement in material standards of living are the pre-eminent goals of economic policy in Latin America. Evidence in support of this conclusion is so commonplace that it need scarcely be cited. It is, however, interesting and informative to look at the reasons why Latin America so ardently desires growth, at her prospects for actual attainment of continual and substantial increases in real output per capital, and at some of the problems which she may encounter along the way. It is the purpose of this paper to summarize and comment upon some of what appear to be the chief motivations to economic development and to juxtapose some of the advantages and obstacles which Latin America is likely to face in her drive for economic growth.

REASONS FOR WISHING GROWTH

Hardly a public statement by a government official, labor union chief, or businessman from one of the southern republics has failed in recent times — if it had any economic content at all — to urge increased productivity and a greater output of goods and services. It may be worthwhile to quote at least one such comment in order to emphasize the intensity of feeling about economic improvement. The preoccupation of the Mexican government, for example, with expansion of output is well illustrated by the following statement made in 1956 by Antonio Carrillo Flores, the nation's able Secretary of the Treasury and Public Credit at that time.

*The author wishes to thank the Offices of Sales of the Nationwide Insurance Companies of Columbus, Ohio, for permission to use material which first appeared in a study which he did for them entitled: *Insurance Institutions and Economic Development In Latin America* (Columbus: Nationwide Insurance Companies, 1958, multilith).

... the government in which I have the honor to participate, from its very beginning, delineated the fundamental orientation of its economic policy in a simple and categorical way: to attain a national production which, in agriculture as well as industry, in public services as well as in commerce, increases more than the population... so that thus, with a greater wealth of goods and services, the general level of life of the people may increase. If we can attain that year after year a greater number of Mexicans may work and feed themselves, clothe, educate and provide medical care for themselves, under conditions progressively less arduous, we shall have joined, in a way which is real, simple and intelligible to all, economic progress with social justice.²

Carrillo Flores was neither exaggerating the interest of his government in development nor engaging in cynical political oratory. Though other problems exist and occupy positions of importance in the minds of both government and people, the economic questions are always there, demanding and receiving close attention. And, while not all economic issues involve economic growth as such, the advance of material standards of living is the one dominant economic problem.

The reasons why Latin America so urgently wishes development are also worth considering. It is simple and obvious to note that the mass of the population is desperately poor and that even those who are comparatively well-off share the desire of other nations and other peoples for material advancement. These are not, however, the only reasons for concern with economic growth. At least two other considerations lend strong support to the basic facts of poverty and wishes for greater wealth. These considerations are important in explaining the attitude of Latin America toward the industrialized areas of the world, especially the United States, and toward the participation of foreign capital and foreign business management in the development of certain sectors of their economies. The two supporting reasons are: (1) National pride, the desire to make their countries "great" and "powerful" (within their own frame of reference) and, more significantly, to make them "progressive" and "respected"; (2) fear of continued economic domination of their countries by the "advanced" nations, particularly the United States, the "colossus of the north."

NATIONAL PRIDE

Nationalism and national pride are not necessarily functions of size or world importance. Latin Americans are proud people and tend to

²Quoted in *Comercio Exterior* (Mexico City: Banco Nacional de Comercio Exterior, April, 1956, p. 151.)

place great store by their countries' reputations and prerogatives in the world family of nations. They are acutely conscious of the fact that they are "underdeveloped" and are often ashamed and sensitive about the poverty and miserable living conditions of the masses of their people. Though the powerful and privileged classes may be laggard in acting to improve the lot of the poor and indifferent to or contemptuous of the distress around them, they are quick to resent the recognition of this state of affairs by outsiders and are likewise quick to blame it on almost anything except its real causes. The Latin nations are painfully aware also that they have frequently been placed in the position of beggars coming hat-in-hand to the rich and powerful nations asking for loans or better trading terms or better prices for their products. They wish to be able to negotiate on a basis of relative equality and receive as much respect as they give.

There is, in addition, widespread awareness and resentment of the fact that in the past and often today the great enterprises of their nations are owned by foreigners and controlled from abroad. They are tired of being relegated to the position of "banana republics," tired of jokes about their frequent revolutions, and tired of tourists who hesitate to touch anything which has been handled by "the natives." In general, they tend to believe that economic advancement is the road to respect and equality of treatment.

Though only two or three of the Latin republics can ever aspire to the status of "world powers" of even the second or third magnitude, they believe — probably rightly — that their prestige will grow *pari passu* with their success in developing their economies. The examples of Sweden, Norway, Denmark, and Switzerland are often cited as evidence that small nations can be both prosperous and respected and it is frequently urged that Latin America follow in the footsteps of these countries. In this context, prosperity and rapid advance in living standards are not wished for their material benefits alone, but also for the enhanced world position which they would (presumably) bring to the nation. Though there may often be considerable disagreement over just what ought to be done for the greater glory of Chile or Mexico or Peru, the desire to advance the status of the mystical "state" is an important impetus to economic change.

This attitude may make development either easier or more difficult. It certainly has helped to stimulate many worthwhile undertakings which might not otherwise have been begun. On the other hand, worthless military expenditures and overly ambitious industrial or public works programs have frequently been approved mainly on nationalistic grounds rather than after careful consideration of their actual chances of adding anything to the security or wealth of the nation involved. Possibly worst

of all, a great many of the autarchic excesses in tariff structures, exchange control systems, customs procedures, import quota arrangements, and other regulations of international commerce have been hailed in Latin American (as in the United States and other countries) as saviors of the national economy. In fact, they have often been nothing but an additional burden on the many to provide extra profits for the favored few.

National pride also tends to aggravate international economic problems, particularly when they involve a Latin nation and one of the "advanced" countries. In several recent disputes the United States has run head-on into this difficulty. The ticklish problem of the *braceros* or "wet-backs" is an excellent illustration. To the United States this is a minor affair involving mainly the question of how to get the desired number of seasonal agricultural workers without acquiring any illegal permanent entrants into the country. For Mexico, however, the question is quite different. She is put in the position of an inferior whose citizens must seek jobs in another nation, but only under the terms laid down by that nation. The question becomes one involving national honor, as revealed in the following statement made by President Adolfo Ruiz Cortines, a moderate leader not given to effusive oratory, in his 1957 "state of the union" message to the Mexican congress:

While the multiple and diverse causes, already well-known, of the periodic and seasonal emigration of our agricultural workers to the United States continue to prevail, the preoccupation of the community and especially of the government will continue to be deep. This difficult problem constitutes, in effect, a collective responsibility since we must find among ourselves solutions to this outflow of fellow citizens which increases each year because of the high rate of population increase. We are all responsible to the degree that we do not attain for them sufficient and permanent sources of work.³

Indicative of the differences in position and status of which the Latins are so conscious is the fact that one can scarcely imagine a president of the United States voicing anything but approval of U. S. workers seeking employment in enterprises located in other lands.

A similar case of the exacerbation of an international economic question by its nationalistic overtones is the continuing discussion between the United States and the Latin nations of the question of guarantees to be offered to foreign investors in Latin America. From the Chapultepec Conference of 1945 to the Buenos Aires Conference of 1957, the United States took the general position that substantial and special assurance should be given to foreign investors that their property would

³*Novedades* (Mexico City), September 2, 1957.

not be expropriated or otherwise endangered without proper legal procedures and adequate and prompt compensation. The Latins, on the other hand, though asserting the best of intentions, held to the position that no special guarantees should be offered to foreigners beyond the protection afforded by their laws to their own nationals. The Latins probably have reason to resent demands for such guarantees, since the United States herself offers no such special treatment of citizens of other countries who invest here, and none should be required among honorable nations operating under the rule of law. As a gesture of encouragement to foreign capital such special provisions might be useful, but the crux of the question for many Latin Americans is their unwillingness to be placed in the position of inferiors who are forced to give at least vestiges of "extraterritorial" rights to investors from the "advanced" nations.

ECONOMIC INDEPENDENCE

A different though basically similar motivation of Latin American economic policy is found in the strong desire of these countries for "economic independence" and their fear of domination of their economic (and even political) affairs by the richer and stronger nations of the world. This fear and suspicion often take the form, in the popular mind and the tabloid press, of accusing the United States, Great Britain, and a few other countries of crude "colonialism" in the 19th century tradition of gunboats and landings of marines. This feeling is sincere and intense, and it has, unfortunately, too much historical support to be summarily dismissed. After all, as late as the 1930's American marines were in Nicaragua and even today irresponsible voices may occasionally be heard demanding our intervention to settle essentially domestic difficulties in Latin America. When U. S. interests or U. S. nationals are involved, we tend to act virtually without consideration of Latin sensibilities. Our aid to the Castillo Armas faction in Guatemala against the pro-communist government, for example, put us almost in the position of fomenting a revolt. While what we actually did was very mild (and very tardy), it was extremely unpopular in other Latin American nations and, probably, also in Guatemala. More recently, our foolish little show of force in May, 1958, to "protect" Vice-President Nixon after he was menaced by rioters in Caracas, Venezuela, must have completely neutralized any sympathetic reaction which the riots in Caracas and Lima or Mr. Nixon's admirable conduct might otherwise have stimulated in Latin America. Flying contingents of American military men to Caribbean bases to be used to protect the Vice-President appears to have been both futile and politically imbecile, and certainly will further strengthen the argument so frequently heard in Latin America that our respect for their rights and sovereignty is wholly dependent upon our own convenience in any given situation.

On balance, the fear of direct intervention in Latin affairs by military force or even the rawer forms of "dollar diplomacy" is probably exaggerated. Though we and other countries may very well do our share of meddling through regular diplomatic channels, loans, or grants in aid, we are unlikely, except as a last resort, to act in an openly imperialistic fashion or forcibly impose our wishes on a Latin American country. Our diplomatic ineptness toward the area and our tendency to disregard problems there until they reach the crisis stage put us, however, in the position of doing things which tend to strengthen the already existing prejudices of the Latin Americans. The image of an imperialist United States jealous of its own political and economic interests and impatient of the rights and aspirations of others lingers in Latin America, and is an important underlying determinant of economic policy as well as other views and actions.

While fear of overt political or military domination is probably an anachronism, this is not the only threat which the Latin sees to his sovereign rights. The often-heard demand for "economic independence" involves more than freedom from old-style imperialism. It is also a desire to be free of the adverse effects of events within the world economy which may well be accidental or uncontrollable, but which appear to be the fault of the industrial nations. The dismal effects of the great depression of the 1930's are still clearly remembered in Latin America, as are the disruptions and shortages occasioned by World War II. These catastrophes were not of Latin America's making, but she was subjected to their results, just as she has been buffeted about by the other political and economic storms originating in Europe or North America during the past few centuries. The Latin economies, depending as they have in the past on world trade and representing in large measure mere appendages to the domestic commerce of the industrial nations, have undeniably suffered from many ills which they did not originate and whose control was beyond their power. This may be unavoidable, but there is a strong drive throughout Latin America to lessen dependence on other areas and to "insulate" domestic economic affairs from the vagaries of the world economy, even if this requires costly sacrifices.

Economic independence from the richer, more powerful areas of the world is a goal shared by common citizens, business men, and government officials alike. It has been a prime mover in the drive for internal development and also in efforts to promote closer ties among the Latin nations themselves. Diversification of economic activity, industrialization, the achievement of better balance between international and domestic trade, and increased intra-Latin American trade have all been advocated as methods of promoting both increased productivity and increased independence. Unfortunately, the "independence" argument has also fre-

quently led to absurdly restrictive treatment of imports, heavy subsidies of inefficient domestic industries, discrimination against certain types of foreign business, excessive emphasis on industrialization at any cost, and other policies whose net effect is as likely to be a retardation as an acceleration of development.

PROSPECTS FOR GROWTH

Looking to the future, Latin America sees both great promise of economic growth and serious roadblocks to improvement of productivity and living standards. An objective evaluation of the area's future prospects would probably conclude that the region has the productive potential to provide for its people a standard of living far higher than that prevailing today and to produce with reasonable efficiency in all major sectors of economic activity both for the home market and for export. It is quite unlikely, however, that most areas of Latin America will in the foreseeable future rival the wealth of the United States, Canada, or the richer nations of Western Europe. Development even under the most favorable circumstances is a slow business, and most of Latin America starts from a very low level of income with circumstances which are not all favorable.

THE REGION'S ADVANTAGES

There are a number of favorable factors on which Latin America can count in the struggle to lift her level of material well-being. Not the least of these is a population which, *at present*, does not press so heavily on the resources available for its support as do those of many other underdeveloped areas. Though physical resources are limited and in some areas such as Haiti, Puerto Rico, and possibly some of the small nations of Central America population is a great problem, most of the Latin states could probably support substantially more people than they currently have at markedly higher standards of life than those now prevailing. This would require tremendous technological, educational, and other improvements, and tremendous capital investment. But population pressure is not so heavy as to be an unsupportable burden. This favorable circumstance is offset to a considerable degree by the fact that population is growing at a truly frightening pace in the region, with some countries such as Mexico and Venezuela showing net rates of population increase which are among the highest in the world. The potential threat of too many people is still more serious if it is realized that, while birth rates have generally tended in the past to fall in nations enjoying increasing real incomes per person, death rates have generally fallen faster, so that a first effect of development has frequently been an acceleration of the net rate of increase in numbers. Most of Latin America is not presently "overpopulated" but most of it would probably benefit from substantially lower birth rates than those now prevailing.

A second advantage which Latin America enjoys is its location and climate relative to those of the presently rich areas of the world. Most of the land surface of the world is in the northern hemisphere, and most of the productive areas of it are in the temperate zones. Latin America, on the other hand, lies mostly in the tropics, with the temperate zones which it does possess being mainly in the southern hemisphere. Both location and climate make it a natural trading partner in all kinds of agricultural produce for the rich nations of the north. Climatic conditions and topography favor the production of tropical or subtropical crops which find ready markets in the industrial countries, among them bananas, coffee, cocoa, sugar, cotton, rubber, and citrus fruits. World consumption of most of these products has shown a sharply increasing long-run trend, and Latin America is in a most favorable long-range position with respect to trade in them. She has not generally made the most of this advantage, and output of many agricultural commodities has not even kept pace with population growth, while costs of production tend to be higher than necessary and methods of cultivation poor. Agriculture has generally been slighted or even discriminated against because of the obsession with industry and also because export agriculture is one of the characteristics of a "colonial" economy and thus not so popular as its importance would seem to warrant. The instability of world prices for agricultural produce has also discouraged development of the field. With one or two outstanding exceptions, however, exports of agricultural products remain the principal sources of foreign exchange earnings for most of the Latin nations.

The temperate zones of Argentina, Uruguay, and Chile are actually or potentially efficient suppliers of a variety of farm products, principally meat, wool, wheat, corn and fruit. In addition to the staple agricultural items, it should not be overlooked that the seasons of these nations are the reverse of those in the northern hemisphere, and the potential trade in highly seasonal fruits and vegetables is large, providing some attention is paid to developing it and a means of cheap and fast transportation of the produce is provided in the future. Tourism in both directions is likewise a major present and future source of trade which may be expected to increase as incomes in both Latin America and the northern countries grow.

Latin America is a considerable producer of many valuable mineral products, though its mineral wealth and the importance of mining in its economy are usually over-estimated. Copper, tin, iron ore, petroleum, nitrates, lead, zinc, gold, silver, and many other mineral products are currently produced in quantity. At present, most of these are exported, but ultimately a substantial share of them will be needed to supply the domestic economies of Latin America herself. Since mineral resources

are exhaustible and since the discovery of new supplies is uncertain, the future of the minerals industries as a basis for trade with other regions is difficult to estimate. Output in most lines has not been increasing rapidly in the majority of countries in recent years, and it is almost certainly true that the minerals trade will occupy a relative position in the future which is less imposing than that of the past. Large areas of the region are still not fully explored, and some known deposits of commercial importance are not presently exploited because of the lack of transport, capital, or the desire to do so. It is therefore conceivable that future output of mineral products will increase rapidly, though at present this does not seem very likely. In any case, Latin America will certainly be able to supply her own needs for a wide variety of mineral products for a long time to come. There are some exceptions to this favorable situation, notably the extreme deficiency of good quality coal.

In part, the slowness of the expansion of minerals output, like that in agriculture, has been the deliberate or partly-deliberate result of discrimination against this sector in favor of others. The nations for whom exports of minerals constitute a chief source (or practically the only source) of foreign earnings, notably Chile, Venezuela, Peru and (in the past) Mexico, have experienced wild fluctuations of their domestic economies as a result of the swings of world markets for these products, and tend to try (without a great deal of success) to avoid excessive dependence on them. Moreover, production of minerals for export, like export agriculture, is an attribute of a "colonial" type economy and hence is regarded with some disfavor where other alternatives are available.

There is considerable feeling in parts of Latin America about allowing the exploitation of natural resources by foreign capital. In spite of the great inflow of capital and huge export earnings which Venezuela has enjoyed as a result of foreign exploitation of her oil, a number of other countries, including Argentina, Brazil, and Mexico, have been and are reluctant to follow in her footsteps. Since oil is the mineral product which in recent years has been the object of the greatest volume of international investment, the question of foreign development of resources arises most frequently with respect to it, and it has frequently become the focal point of anti-foreign feeling and political agitation. In Mexico the oil industry has been a government monopoly since 1938 when the holdings of foreign companies were expropriated (with some ultimate compensation); Brazil, Chile, and until recently, Argentina have relied on government or government-sponsored enterprises for exploration, discovery, and development of petroleum output. The Mexican company, *Petroleos Mexicanos*, has had fair success, especially in recent years, in spite of capital shortages and the opposition of the oil industries of the rest of the world. The other three nations have experienced less success.

Even at the expense of slower development, all four nations are intent on retaining control in domestic hands of what they consider to be a major part of the "national patrimony." They are willing and anxious to obtain loans to aid in development of the petroleum, but are strongly opposed to any method of exploitation involving the transfer of ownership or control of the oil resources to foreign companies. Where foreign exploitation of oil and/or other minerals is permitted, the foreign companies are frequently heavily taxed, but they still appear to find operations in most countries profitable, as witness the heavy new investments made in Venezuela, Chile, Peru and other nations.

Latin America's familiarity with the basic institutions and patterns of business and government organization which have helped to produce great wealth in North America and Western Europe must also be counted as one of her significant advantages for the future. The commercial and industrial organizational forms which characterize the "advanced" nations are found with considerable frequency in the Latin republics. The corporation is already the dominant form of business enterprise in finance, industry, mining, and large-scale commerce, and the banking, insurance, brokerage, wholesaling, and retailing establishments of the major cities offer many of the same facilities and services found in the industrial nations.

Significant deficiencies exist in the understanding and use of the factory system, and mass-production is only beginning to be utilized, in part because it is a relatively sophisticated and complicated process, and in part because the internal markets of most nations have usually been too small to support it adequately. The concept of mass sales with relatively low mark-ups per unit and standardization of products and sales facilities has not yet come to dominate distribution of goods and services, but it is growing. The general organization and operation of business tends to be inefficient and high-cost, but much of this is due again to the small size of the national markets. The lack of much effective competition is also a severe handicap in most large-scale undertakings. Monopoly or near monopoly weakens drives for efficiency and makes attention to quality and service to the consumer less than it might be in a more competitive situation. This lack of competition applies mainly to industry and large-scale commerce, politically powerful groups in every country who there, as here, are prone to abridge competition and make life easier for themselves wherever possible to do so. Latin America would benefit from following the United States pattern of at least attempting to maintain and enforce competition, but the smallness of the market and the lack of any strong competitive tradition among the powerful business groups make this very difficult.

Two other significant advantages which Latin America possesses may

be mentioned. First, the area has the basis for real political democracy. Though it is plagued with instability, a poorly educated electorate susceptible to highly emotional and often irrational appeals, powerful political pressure groups representing tiny but potent classes who wish to manipulate the majority for their own advantage, and other stumbling blocks to the realization of efficiently functioning democracy, Latin America has a history of professed belief in government by the masses in their own interest. Dictatorships have been common in the past, but they have also been impermanent, yielding at last, for a time at least, to governments more responsive to the popular will. This bent toward democracy makes it likely that such economic development as occurs will eventually be widely shared among the population and thus will tend to serve the actual interest of the people rather than aims set solely by the favored classes.

Second, the fact that development is already in progress in most areas of Latin America is a great advantage. The region is not, on the whole, faced with the problem of jarring a stagnant economy off dead center and putting it on the road to growth. The rates of capital accumulation, technological change, and increase in output which have been attained in the recent past are encouraging, and this in itself makes future change easier.

OBSTACLES TO GROWTH

Distinct disadvantages as well as favorable factors mark the prospect for economic development in years to come. Some of these are physical and some are cultural or political. All together, they add up to a formidable, though not insuperable, group of negative factors which make it likely that the course of future development will not be entirely smooth. They likewise add weight to the conclusion previously expressed that, while rapid expansion of Latin economies is a reasonable hope, quick and spectacular gains in per capita incomes are not to be anticipated.

Perhaps the first consideration to be mentioned is that Latin America has so far to go if it hopes to attain wealth comparable to that of North America and Western Europe. The levels of income which now exist are generally quite low. Argentina, Uruguay, Panama, Cuba, and Venezuela approach the poorer West European nations in their average standards of living, but most of Latin America is much worse off. Historically, growth of per capital income in even the richest nations amounts, as a long-run average, to only 2%-3% annually, so that progress upwards from a low initial level is bound to be slow. Latin America may reasonably expect to profit by the experience of other nations, from the technical and financial aid offered by North America and Europe, and from the fact that she is not blazing a new trail in development but is adapting existing techniques

to her specialized needs. It would not be surprising if a rate of growth somewhat higher than those experienced by the pioneer nations were attained. But this will not produce a quick jump to the levels of income enjoyed in the richer of the "advanced" nations, and the actual realization of such a high rate of economic increase is by no means a certainty.

Another roadblock which is and will continue to be a serious matter for the development of the Latin nations is the simple fact that there are so many of them and they are so poorly integrated with one another. Inter-country transport is wholly inadequate except where it can easily be accomplished by water, and the development of rail and highway transport will be fantastically expensive. Moreover, the separate nations of the area tend to be jealous of their neighbors and unwilling to go very far in cooperating wherever this involves even a potential loss of sovereignty or damage to some favored sector of the domestic economy. In recent years there has been much talk of customs unions, free trade areas, and other cooperative action to increase the degree of integration among the various republics, and considerable paper progress has been made, with the encouragement and sponsorship of the United Nations, in Central America and, to a lesser degree, in southern South America. Even if complete freedom of trade were established among the several nations, however, the volume of intra-Latin American commerce would probably not expand in any spectacular fashion. The separate economies do not at present possess sufficient complementarity or sufficiently good transportation or communication to serve economically each other's needs for a wide range of goods, however desirable this may be. As long as this situation continues to prevail, the economic progress of the whole area will be slower than it otherwise could be. As separate nations, only Argentina, Brazil, Mexico, and possibly Colombia are sufficiently diversified to have any reasonable prospect of rapid and fairly low cost development without continued heavy dependence on international trade for a large number of products.

The lack of adequate and cheap transportation and communication facilities linking the various nations to each other is merely one example of the general lack of sufficient basic installations of all types, within the nations as well as among them. Domestic transport (excepting air travel) is typically slow and uncertain even in the more highly developed of the Latin nations, and the cost of improving it will be very high. If one stops for a moment to consider that the United States is currently engaged in a long-range program of spending some \$40-60 billion dollars on *improvements* in its already good network of highways, then some concept can be gained of the cost of starting virtually from scratch in an area which is much larger physically than the U. S., which has more difficult terrain, which has roughly one-fifth to one fifteenth as much income per person,

and which does not have the other types of transportation facilities, railroads, inland waterways, etc., which we possess. Development of domestic industry in Latin America requires cheap, fast, and reliable transport for efficiency as do agriculture, mining, and other pursuits. While some fairly good roads and railroads exist, particularly near centers of population, the lack of organized and integrated systems of transport, both within nations and among nations, will continue for a long time to slow down development, and solving the problem of transport will be an almost unthinkable expensive business.

The same thing which may be said of transportation can also be applied to fuel and power shortages. Latin America is poor in natural sources of fuel, especially coal, and, while considerable hydro-electric potential exists, the provision of sufficient power to supply industrial needs is a very difficult matter. Here, as in transport, the cost of installations is extremely high, and no quick solution to the problem is in sight. Shortages of power are almost continuous and very serious in many nations. The city of Buenos Aires, the industrial, commercial and political heart of Argentina and one of the world's great cities, is frequently without sufficient power to run its industries and light its homes. A system of rationing is employed when shortages are severe, resulting in homes being without electric power for two or three nights a week, but even so industrial use of power must be curtailed and both output with existing productive capacity and expansion of industry are much lower than they could be with adequate and cheap supplies of electricity. Even if the funds were readily available (on terms the Argentines could accept), correction of Buenos Aires' power shortage would take years because of the time required simply to build the necessary generating capacity and transmission lines. In Chile, where hydro-electric potential is high, strenuous efforts by the nation's development corporation and some private electric utilities are barely able to keep up with the modest economic expansion of the three major urban centers, Santiago, Valparaiso, and Concepción. Mexico, Brazil, Colombia, and virtually every other nation in Latin America face the same problem. Cheap and plentiful electric power is indispensable to industrial development as well as to other types of economic progress, but natural fuels are scarce and expensive, and the capital required to create the facilities for production of power staggers the imagination. Atomic energy as a source of electric power would seem to be of special significance to Latin America, but, like conventional generating facilities, its development would place heavy technological and financial strains on these nations.

Indicative of the seriousness of the problems of providing basic facilities for industrial and general economic development has been the pattern of long-term lending to Latin America by the International Bank

for Reconstruction and Development. This organization, whose principal concern is with capital improvements rather than the financing of current business or the providing of short and intermediate-term loans, has lent heavily to Latin America and has concentrated almost exclusively on transportation, communication, and electric power, as shown by Table I.

TABLE I
WORLD BANK LOANS TO LATIN AMERICA, BY PURPOSE
(in millions of U. S. dollars)

Purpose of Loan	Net Funds Lent ^a
Electric Power	\$331.
Transportation	247.
Communication	22.
Agriculture and forestry	55.
Industry	23.
Total ^b	678.

^aAs of June 30, 1957.

^bThis is a total for the "Western Hemisphere," but no loans were made to the U. S. and Canada.

Source: International Bank for Reconstruction and Development, *Twelfth Annual Report, 1956-57* (Washington: International Bank for Reconstruction and Development, 1957), p. 16.

United States private capital has also flowed to Latin American in substantial amounts for investment in the provision of basic transportation, communication, and power facilities. As is indicated by the figures

TABLE II
UNITED STATES DIRECT INVESTMENTS IN LATIN AMERICA,
1943, 1950 AND 1956
(In Millions of U. S. Dollars)

Field of Investment	1943	1950	1956 ¹
Agriculture and Forestry	\$ 379.9	\$ 519.6	(²)
Mining and Smelting	404.9	628.4	1,090.0
Petroleum	570.1	1,407.8	2,227.0
Manufacturing	322.3	779.8	1,515.0
Transportation, communication, public utilities	870.9	1,041.5	1,192.0
Trade	140.5	242.5	495.0
Other	143.7	115.6	889.0 ³
Total	2,832.3	4,735.2	7,408.0

¹ Preliminary figures

² Agriculture and forestry included in "Other" in 1956.

Sources: For 1943 and 1950 — United Nations Economic Commission for Latin America, *Foreign Capital in Latin America*, (New York: United Nations, 1955), p. 160. For 1956 — U.S. Department of Commerce, *Survey of Current Business*, Washington: Government Printing Office, August, 1957, p. 24.

shown above in Table 2, this kind of activity stands high among fields favored by U. S. direct investments in Latin America although its share in the total has tended to decline in recent years.

It should be pointed out that investment in power, transportation, and similar facilities is not particularly attractive to foreigners in most Latin countries today. These are fields in which nationalization or the threat of nationalization has been common and in which earnings have been low or nonexistent. Primarily for political reasons, many Latin governments have found themselves penetrating deeper and deeper into actual construction and operation of transport and public utilities systems and much potential investment by private firms and individuals in the United States, Great Britain, and other capital-rich nations has been deliberately or accidentally discouraged from coming to Latin America. In many countries the utilities operate in competition with heavily subsidized government enterprises or have their rates arbitrarily held down to the point where they are scarcely able to maintain existing facilities, to say nothing of expanding them. The policies which produce this situation may be politically unavoidable in an area as sensitive to "foreign exploitation" as Latin America, but it merely adds another immense requirement for capital funds to the already strained taxing and borrowing capacities of most of the Latin nations. In the past few years, this situation has improved in some countries, as a result of a clearer recognition of the desirability of cooperation between private and public capital in the provision of basic facilities and of the inescapable fact that starved utilities, foreign-owned or not, cannot either accumulate funds for expansion and improvement from their own resources or attract additional investment from abroad. While it is quite impossible to dispute the legal right of the Latin American nations to regulate utilities and engage in public ownership and operation to any extent that they see fit, it should also be pointed out that they are giving up potentially large and highly useful sources of capital from abroad and adding greatly to their own problems of procuring sufficient facilities and efficient service.

Earlier in this chapter it was noted that the topographical and climatic endowment of Latin America offer a considerable basis for the continued expansion of trade with the Northern Hemisphere in many types of agricultural products. This constitutes an important potential advantage for the future. At the same time, it must be noted that the over-all agriculture picture in Latin America is not particularly encouraging. The area will have to advance more rapidly in the future than it has in the past if it is even to keep its head above water in supplying the needs of its growing population. Agricultural potentialities in Latin America are good in some respects, but there are many problems as well. From Mexico in the north to Chile in the south, much of the area is mountainous,

barren, and unsuitable to agriculture with present techniques. The ratio of arable land to people is less favorable than in the United States; systems of land-holding are semifeudal in many areas; and the productivity of the average worker in agriculture is extremely low. Farming techniques are generally poor, and investment per worker in agriculture is small in most nations. In spite of the existence of very large areas of land which are today virtually empty of people, there are not too many areas in which land susceptible to agricultural production and accessible to transport facilities can be brought quickly into production. In much of Latin America, rainfall is a serious problem for agriculture. In large portions of Mexico, Chile, Peru, and Bolivia, and to a lesser extent in other countries, rainfall is so light and variable that agriculture either cannot be attempted at all or is a very unproductive and risky business. At the other extreme, the Amazon plains of Brazil, much of Venezuela, and the regions bordering the Gulf of Mexico and Caribbean have so much rainfall, at least during certain seasons, that soils are quickly leached, crops are drowned, and agriculture is again difficult. Latin nations have, in the past, devoted far less attention to improvement of agriculture than to industrialization with the result that progress has been slow. In too many cases, rising domestic consumption has been made possible through reductions in exports of agricultural products, a stop-gap solution which cannot continue indefinitely and which costs valuable foreign exchange. There is sober evidence that interest in agricultural improvement is on the increase, and there are some notable exceptions, Mexico being the best example, to the conclusion that availabilities of agricultural products per capita have been getting no better. In general, however, it may be said that one of Latin America's most pressing needs, and one which receives scant attention, is the need for speedy and drastic improvement of agriculture.

The economic importance of other resources is also easy to overestimate. As previously pointed out, unless great new reserves are discovered, Latin America is very short of mineral fuels. There is some doubt too that she possesses sufficient supplies of other mineral products to provide the basis for a heavily industrialized economy. With regard to resources of all types, a rather pessimistic writer, but one who is extraordinarily exhaustive in his use of source materials, concludes:

In natural resources Latin America is among the least favored of the major regions of the world. It is the poorest of all the major regions in energy resources. The proportion of total land area that is adapted to agricultural production is far less than that of Europe and the United States and little higher than that of Africa. It has the least proportion of good soil in relation to total area. The relative extent, accessibility, and

degree of juxtaposition of mineral resources make it likely that there are in the area no centers of potential industrial development of the magnitude of our Northeast-North Central concentrations or of those of the Ruhr, Midlands, and Kuznetsk. And it is questionable whether the requirements even for important secondary industrial centers can be met anywhere in the area. While Latin America contains the largest reserves of unexploited forest resources, the proportion of the "productive" forest estate that is accessible under existing technology is lower than that of Western Europe and North America, and the region is badly deficient in the softwoods whose increased consumption tends to be a fundamental of industrial development. The natural obstacles to the improvement and maintenance of the transportation facilities required for major economic advances are unusually great.⁴

This estimate of the resource potential of Latin America may be unduly gloomy, and, in any case, resources alone are not the whole story. Discoveries of both unexploited resources and new technological processes may easily change the evaluation. Nevertheless, it is true that, given the present state of knowledge regarding Latin American resources and present productive techniques, the area does not rank particularly high in resource endowment. This does not necessarily preclude rapid development or eventual wealth — as witness the case of Switzerland — but it should at least promote a more sober and rational view than the glowing generalization that Latin America is an "El Dorado" whose boundless potential awaits merely the magic touch of modern technology and "know-how."

Cultural factors also tend to diminish the likelihood of a revolutionary change in the productivity of the Latin economies. The social structure of most of the area is not far removed from the feudalism of Spanish-colonial days. It is true that new classes, primarily business classes, are coming rapidly to the fore, but the power of the old land-holding aristocracy is still strong in most nations. Even the newly powerful classes fall somewhat short of being ideal carriers of the beacon of economic enlightenment and progress. Though they have bowed to the political power of the masses in some classes, and though sops to the economic aspirations of the poor have been provided in the form of comprehensive (on paper) social insurance systems, elaborate rights for labor, and similar "progressive" measures, the ruling classes are conservative and generally more interested in gains for themselves than in either the progress of the nation or the welfare of the people as a whole. Monopoly is rife and there is

⁴Simon G. Hanson, *Economic Development in Latin America*, Washington: The Inter-American Affairs Press, 1951, p. 36.

little disposition to move in the direction of more competition; tax systems are highly regressive in practice with the result that the brunt of the burden is borne by those least able to pay; raging inflation often eats away at the wages of the working classes and prohibits the accumulation of small savings in any form other than tiny hoards of metallic money, foreign currencies, or similar items. The distribution of income is extremely unequal, with an almost unbelievably large share going to small high-income groups; and organized labor, though guaranteed rights on paper and politically exploited, tends to be poorly led, weak, and almost wholly incapable of protecting the position of its members, to say nothing of the laboring classes as a whole.

Educational systems are inadequate in size and quality and very poorly financed. Public health facilities, considering the differences in income, are probably better than in the United States, but still are not sufficient to serve the needs of the people. As a result, illiteracy and endemic disease are common, further reducing economic efficiency. The frequently cited Latin "laziness" is more likely to be the outcome of a combination of lack of incentives to work, poor diet and poor health than of any inherent mental or psychological characteristic. Hanson, whose work was cited above, comments as follows on the question of working efficiency:

Every study of health and diet in Latin America turns into a dismal report on the wasting of human resources. Soule, Efron and Ness reported in 1945 that two-thirds or more of the Latin-Americans are physically undernourished, to the point of actual starvation in some regions, and that one-half are suffering from infectious or deficiency diseases.

The prevailing health standards account in part at least for the 'natural indolence' characteristic with which Latin-American populations have frequently been branded. It is true that labor, especially manual labor, has generally been looked down upon in Latin America . . . [but] it is clear that before subscribing so willingly to the 'natural indolence' theory one must consider the full picture. For instance, in one Latin-American country whose males are typically maligned for their laziness, 60% have yaws or syphilis, 50% have malaria, 90 to 95% are illiterate, 83% of the one out of six who do get to school do not advance beyond the second grade, and none of the stimuli to enterprise, such as the capacity to achieve land ownership, are present.

At present, three-fourths of the Latin-American countries have illiteracy ratios exceeding 50% and probably only two have

cut the ratio below 20%. Most of the countries lack facilities for providing elementary schooling for every child of school age. In none of the countries has popular education been oriented to the scientific requirements of industrial civilization. When educational opportunities have broadened, when faulty diets and endemic disease have been brought under control, when opportunities for economic advancement have been provided by adjustments in the landowning system and by urban industrialization with its demonstration of the material benefits that can be forthcoming, we shall hear less of the 'natural indolence' theory and its corollary that substantial rises in the standard of living cannot be expected.⁵

Besides those already cited, another cultural characteristic which may prove even more difficult to eradicate and which will surely hinder the progress of development is the lack of any real sense of quality in production. In part this is doubtless due to the physical and educational deficiencies of the working population cited above, but it goes beyond that. The workers do not design the products or see to it that they are inspected or supervise the processes of production and distribution. The Latin-American businessmen and artisans as well as the workers seem to lack the desire to produce a high quality product. It is not that the technology is particularly complicated or that available materials are sub-standard. There are simply not the "instinct of workmanship" and integrity which have been so important to the rise of Western European and North American industry. In part this is due to lack of competitive pressures to produce quality merchandise, particularly the lack of reasonably priced imports. But it also appears to stem in part from a culturally-rooted indifference to the satisfaction of doing a job well. This is not universally true. Exceptionally fine products of certain kinds are produced in a few areas, but the general quality level of goods is low, and the reasons for this do not appear to be technological.

CONCLUDING STATEMENT

All the difficulties and roadblocks to rapid development cited above should not be taken to mean that it will be impossible for Latin America to grow economically or even to do so at a relatively rapid pace. Development has, in fact, occurred in the past and is going on at present. They do mean, however, that the road ahead is likely to be rocky and that a spectacular rise to world prominence and material wealth does not appear to be in the cards for Latin America.

⁵Hanson, *op. cit.*, pp. 27-31. The study cited in the quotation is George Soule, David Efron and Norman T. Ness, *Latin America in the Future World* (New York: Farrar and Rinehart, 1945).



ANALYSIS OF REAL GROWTH AND WEALTH IN THE LATIN AMERICAN REPUBLICS*

Pedro C. M. Teichert

PURPOSE OF STUDY

The following study was prepared with the purpose in mind of exposing and clearing up some frequent confusion and misconceptions existing among Latin American experts about fundamental concepts of growth, standards of living, future potentialities, accumulated wealth, as well as inflationary problems in connection with the area's economic development.

There seems to exist some evidence that in the past few years too much has been written and said about Latin American economic development without the benefit of statistical data. Frequently the latter — when used at all — have been misinterpreted and unpleasant data were omitted with a consequent distortion of the truth. Writers in other disciplines have then built on these findings and further distortions of the Latin American picture have resulted. It also has become very fashionable to theorize and perhaps in that process to make up some facts that will fit the theory to be developed, generally the pet project of the investigator.¹

In short, a lot of wishful thinking has been done lately on Latin American economic development, and a large part of the theoretical

*This study was prepared with the help of a University of Mississippi Research Grant.

¹The reader is referred to the recent controversy between Professor Edwin Lieuwen and Dr. Virgil Salera, two expert scholars in the Latin America field.

Edwin Lieuwen, "On Salera's 'Venezuelan Oil: Facts, Fancies and Misrepresentations,'" *Inter-American Economic Affairs*, Summer 1958, pp. 90-92. Also Virgil Salera, "Reply," *Ibid.*, pp. 92-95.

The issue seems to center around who has the facts. While Mr. Salera talks about "tremendous housing developments and substantial Venezuelan farm surpluses,"

construction has been built on sand. Vice-President Nixon's visit to Latin America has finally brought this out. On the other hand, statistical data have always presented a true picture and were available for those who cared to look them up and to interpret them without bias. To the student familiar with the peculiarities of Latin American statistics, the outcome of Vice-president Nixon's trip to Latin America was no surprise.

In spite of the neglect of Latin American affairs by our policy makers, as well as of the casual approach to the area's problems by many writers, certain general patterns of thought about it have nevertheless crystallized:

1) First there are those individuals who believe that the twenty Latin American nations are all a little bit more of the same. From the economic point of view, to them, either all is booming south of the border or all is utterly poor and backward. This concept, it must be admitted, is not found among serious Latin American scholars, but mainly among uninformed politicians and laymen, good wishers, and the never missing Latin haters.

2) The second pattern of thought seems to contend that only those Latin American nations receiving or inviting large U. S. investments are well off and developing fast. The individuals who follow this trend of thought seem to underestimate the importance of large European and native investments in some of the Latin American republics. Another group of scholars and politicians believes that only those nations in Latin America that have a stable and convertible currency are doing well. Finally, there are those who believe that only those nations that do not have large monetary inflation are really forging ahead.

3) The third thought pattern is more exclusive, and according to it, only those nations really develop and are wealthy that let huge foreign investments of petroleum companies come in—and for the present that almost always refers to U. S. capital and the example given is Venezuela.

4) Finally, a fourth pattern is mainly concerned with the fundamental question of industrialization. It is claimed by one group that Latin America should industrialize because only then will it be able to raise the level of living of its masses. Another group claims that Latin America

Professor Lieuwen believes in "failures in Venezuelan housing and agriculture." Professor Lieuwen quotes *New York Times* reporter Tad Szulc's March 28, 1958 dispatch from Caracas:

Of a population of 6,200,000 about 3,500,000 persons are eking out a bare living. . . . The Provisional Government is starting an emergency housing program designed to help lift rural populations from their depressed conditions. A country rich in agricultural land, Venezuela does not produce enough rice to meet the demand. Meat and milk consumption and production are low.

It seems to be strange, to say the least, that two scholars have to argue about facts, that is, statistical data which are available to anybody who cares to look them up.

should not industrialize since that is contrary to comparative cost theory and will only bring about a decrease in the real standard of living.

How much fact and how much fancy goes into formulating such oversimplified approaches and ideas will be analyzed in the following pages. Because of the limited and specialized purpose of this study, no concern will be given to the theoretical arguments of the fourth point. Statistical evidence presented in this study will of course indicate the degree to which Latin America has already industrialized, theoretical arguments to the contrary.²

STAGES OF LATIN AMERICAN DEVELOPMENT

In spite of the apparently common economic, political, and cultural background of the twenty Latin American republics, their present state of development is not at all uniform. While some of the republics can scarcely be called underdeveloped any longer, others are still among the poorest nations of the world. Table I clearly indicates Latin America's relative position among the 75 nations recorded in the survey. According to these 1953 figures, Venezuela was listed in 15th place, Uruguay in 21st, and Argentina in 26th place.

If we disregard the U. S. and Canada as exceptionally favorable cases of development, and divide the remaining 74 countries into three groups—the well-to-do, the relatively poor nations, and the very poor—then we will notice that only Venezuela, Uruguay, and Argentina fall into the first group. Eleven Latin American countries fall into the middle group being relatively poor, and the remaining six of the 20 Latin American republics are very poor at best.

Though there have been some recent changes in rank among the 20 Latin American republics, it still holds true that the majority, or 17 of the Latin American nations, would belong to the relatively poor among the world's family of nations. Nevertheless, their rank spreads from well-to-do Venezuela in 15th place to utterly poor Bolivia in 69th place. The latest available income statistics of the Economic Commission for Latin America are presented in Table II.

The data presented in Table II only further corroborate what has already been said about the income spread of Latin American nations. The highest income group is at least four times as well off, per capita wise, as the poorest group of Latin American nations.

Unfortunately, the reader must be warned that per capita income figures tell nothing about accumulated wealth, nor of the way it is used and distributed. Yearly per capita income figures are rather an expression

²For a theoretical treatment of the subject see: Pedro C. M. Teichert, "Towards a Synthesis of Theory and Policy in Latin American Developmental Economics: The Dynamics of the Economic Policy Revolution in the Transformation of the Periphery," *Weltwirtschaftliches Archiv*, Vol. 80, No. 2, 1958, pp. 234-277.

Table 1
RANKING OF LATIN AMERICA AMONG 75 NATIONS*
 (Average Income per Capita, 1949 and 1953)¹

Country	Rank in Latin America	Rank among All Countries	YEARS	
			1949	1953
United States.....	.....	.....	1,453	1,908
Canada.....	.....	.....	870	1,318
Switzerland.....	.....	.....	849	995
New Zealand.....	.....	.....	856	968
United Kingdom.....	.....	.....	773	930
Australia.....	.....	.....	679	921
Sweden.....	.....	.....	780	910
Denmark.....	.....	.....	689	740
Norway.....	.....	.....	587	717
Belgium.....	.....	.....	582	717
Luxembourg.....	.....	.....	553	700
France.....	.....	.....	482	600
Iceland.....	.....	.....	476	600
Netherlands.....	.....	.....	502	600
Venezuela.....	1	15	322	530
West Germany.....	.....	.....	320	482
Finland.....	.....	.....	348	450
Israel.....	.....	.....	389	450
Soviet Union.....	.....	.....	308	440
Puerto Rico.....	.....	.....	.....	431
Uruguay.....	2	21	331	425
Ireland.....	.....	.....	420	416
Czechoslovakia.....	.....	.....	371	370
Hungary.....	.....	.....	269	370
Poland.....	.....	.....	300	370
Argentina.....	3	26	346	366
Cuba.....	4	27	296	325
Italy.....	.....	.....	235	307
Panama.....	5	29	183	301
Austria.....	.....	.....	216	290
Union of South Africa.....	.....	.....	264	283
Lebanon.....	.....	.....	125	265
Chile.....	6	33	188	250
Colombia.....	7	34	132	250
Portugal.....	.....	.....	250	250
Spain.....	.....	.....	.....	242
Turkey.....	.....	.....	125	221
Brazil.....	8	38	112	215
Mexico.....	9	39	121	200
Yugoslavia.....	.....	.....	146	200
Japan.....	.....	.....	100	197
Costa Rica.....	10	42	125	180
Greece.....	.....	.....	128	174
Jamaica.....	.....	.....	.....	170
Southern Rhodesia.....	.....	.....	101	161
Formosa.....	.....	.....	.....	160
Dominican Republic.....	11	47	75	150
El Salvador.....	12	48	92	150

Table 1 (Continued)
RANKING OF LATIN AMERICA AMONG 75 NATIONS*
 (Average Income per Capita, 1949 and 1953)¹

Country	Rank in Latin America	Rank among All Countries	YEARS	
			1949	1953
Honduras.....	13	49	83	140
Peru.....	14	50	100	140
Nicaragua.....	15	51	89	135
Guatemala.....	16	52	77	125
Egypt.....			100	112
Syria.....			100	111
Paraguay.....	17	55	84	110
Ceylon.....			67	108
Ecuador.....	18	57	40	100
Saudi Arabia.....			40	100
Indonesia.....			25	95
Iraq.....			85	90
Philippines.....			44	90
Thailand.....			36	76
Haiti.....	19	63	40	70
Iran.....			85	70
South Korea.....				70
Nigeria.....				62
India.....			57	60
Pakistan.....			57	60
Bolivia.....	20	69	55	55
Afghanistan.....			50	50
China.....			27	50
Ethiopia.....			38	50
Liberia.....			38	50
Burma.....			36	43
Yemen.....			40	40

* Source: For 1949—*National and Per Capita Income in Seventy Countries*, United Nations, New York, 1949, p. 14. For 1953—Paper by M. L. Watkins, Center for International Studies, Massachusetts Institute of Technology, Cambridge, Mass. Quoted in Charles P. Kindleberger, *Economic Development*. New York: McGraw-Hill Book Company, 1958, p. 6.

¹ In U.S. dollars of current purchasing power.

TABLE II
PER CAPITA INCOME IN LATIN AMERICA IN 1955*
(At 1950 Prices)

OVER 400 DOLLARS	100 TO 200 DOLLARS
VENEZUELA	GUATEMALA
ARGENTINA	DOMINICAN REPUBLIC
URUGUAY	HONDURAS
300 TO 400 DOLLARS	EL SALVADOR
CUBA	NICARAGUA
CHILE	PERU
200 TO 300 DOLLARS	ECUADOR
COSTA RICA	LESS THAN 100 DOLLARS
PANAMA	PARAGUAY
MEXICO	BOLIVIA
COLOMBIA	HAITI
BRAZIL	

*Source: United Nations, *Economic Survey of Latin America 1956*, p. 168.

of present and possible future growth, or frequently they indicate other fortuitous circumstances, which may not be of long duration. If this were not so, how could it be explained that Venezuela, for instance, has a higher per capita income than West Germany, Czechoslovakia, Italy, and is listed on equal footing with The Netherlands and France? Venezuela obviously does not have the wealth to be found in The Netherlands or in France.

But a nation's wealth is one measure of its well being, and expanding stocks of plant and equipment are necessary to support an improved standard of living. Furthermore, since in our democratic society the ultimate goal is the well being of the individual, we must constantly see to it that our growing wealth reflects objectives that contribute to the fullest development of all our citizens.

If per capita income figures are taken too seriously, then utterly ridiculous deductions can be made from such an approach. Not only is Venezuela in no way comparable with Western Germany or The Netherlands, but it really cannot stand up to such Latin American nations as Argentina, Uruguay, and many others, when it comes to assessing the real wealth at the disposition of the nation and its people. (See Table IV).

It is particularly evident that since early 1900 development has taken a different course among the Latin American countries, and, therefore, today they find themselves in different stages of development with

different rates of growth and wealth accumulation. The significance and implication of this divergent development in connection with the formulation of development theories and policies is all too obvious, but cannot be further elaborated in the framework of this particular analysis.³

Here it must suffice to outline the actual state of development of some republics, including the more advanced as well as the more backward nations, in order to present a clear picture of the background against which future development and industrialization will have to take place. There exists no doubt in the mind of the writer, that the future rate of growth as well as the absolute growth potential will depend to a large extent on the level of development which has already been achieved. This stands to reason, since the process of development is cumulative and to catch up with more advanced nations is very difficult at best, if not impossible, particularly if the latter do not stagnate in their development. Many writers seem to forget this and behave as the Russians do when they claim they will overtake the U. S. economy in the next few years. It is one thing to overtake or equal the U. S. steel production or even military strength, another entirely different matter to equal its standard of living in its entirety. The same reasoning applies particularly to Venezuela, which many Latin American scholars and writers believe is ahead of the rest of Latin America in the accumulation of wealth because of its spectacular oil boom.

To call Venezuela the wealthiest Latin American nation because with the presently large oil revenues the government is building modernistic skyscrapers, superhighways, swank hotels, swimming pools, clubs; and because marble-floored, gold ornamented, four story, glass enclosed dancehalls and clubs are built for the military, is excusable when done by the American business man directly benefiting from all these developments. But it is inexcusable when such a statement is presented as the result of a scholarly inquiry into the functioning and the state of the Venezuelan economy.

Simply because such a relatively large number as "40,000 Americans enjoy the prosperity of oil wealthy Venezuela," does not necessarily lead to the conclusion that in a nation where a cheap shirt costs \$10 in U. S. currency, a head of lettuce \$1, and a simple breakfast \$4.50, the majority of the Venezuelan people are very happy and wealthy.⁴ Most of them are living outside of Caracas and the Maracaibo areas, and are not connected with the oil industry. Only 1% of the total population derives their income from the petroleum industry. More conclusive statistical

³Pedro C. M. Teichert, "Die Problematik der Entwicklungstheorien," *Wirtschaftsdienst*, 37. Jahrgang, Heft 1 January 1957, pp. 14-25.

⁴"40,000 Americans Enjoy Oil-Wealthy Venezuela," *The State Journal*, Lansing, Michigan, July 24, 1957, p. 7.

evidence will be presented below, so that Venezuela's level of wealth and growth potential — the latter being large in absolute and unqualified terms—can be better evaluated.

THE STATISTICS OF LATIN AMERICAN DEVELOPMENT

Table III presents some of the more pertinent statistics which give fairly conclusive evidence of the present state of Latin American development.

From these data it is apparent that there exists a great gulf between the more developed and the less developed of the 20 Latin American republics. While for instance in 1953 per capita income was \$358 U.S. dollars in Argentina and \$518 in Venezuela, it was only \$65 in Haiti, and \$68 in Paraguay. Such important and large countries as Mexico and Brazil had incomes of \$210 and \$190 respectively. The average per capita figure for Latin America was \$250. Furthermore, while Venezuela's

Table III
COMPARATIVE STATISTICS ON LATIN AMERICA,
CANADA AND THE U. S.

Countries	Popula- tion (thous- ands)	Area (thous- and square miles)	Percent Agricul- tural Land	Agricul- tural Land (acres per capita)	Popu- lation per Square Mile	TRADE (thousands of dollars)		1953 per Capita Con- sump- tion (Metric tons of coal equi- valent)
						Imports	Exports	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1. Argentina.....	18,393	1,084	52	19	17	778,699	1,161,818	0.80
2. Bolivia.....	3,162	424	0.3	0.2	7	68,041	124,568	0.11
3. Brazil.....	55,772	3,288	6	2	17	1,318,667	1,539,321	0.31
4. Chile.....	6,072	286	26	8	21	334,824	414,121	0.91
5. Colombia.....	12,108	439	36	9	28	546,723	596,132	0.33
6. Costa Rica.....	881	20	19	3	44	73,668	76,248	0.27
7. Cuba.....	5,807	44	51	3	132	489,733	640,344	0.61
8. Dominican Republic	2,291	19	26	1.4	121	86,527	105,321	0.11
9. Ecuador.....	3,439	106	17	3	33	72,752	76,230	0.12
10. El Salvador.....	2,122	8	37	1.5	257	71,747	89,615	0.11
11. Guatemala.....	3,149	42	18	1.7	73	79,538	88,922	0.12
12. Haiti.....	3,227	11	16	0.4	293	45,161	37,799	0.02
13. Honduras.....	1,608	43	18	5	36	57,468	54,338	0.17
14. Mexico.....	28,849	760	57	10	37	807,498	495,783	0.64
15. Nicaragua.....	1,202	57	6	2	20	43,551	54,506	0.10
16. Panama.....	886	29	3	0.8	30	71,603	15,495	0.33
17. Paraguay.....	1,530	157	4	3	10	24,305	25,364	0.04
18. Peru.....	9,295	506	13	5	18	292,880	221,970	0.30
19. Uruguay.....	2,525	72	86	17	35	195,060	269,816	0.71
20. Venezuela.....	5,605	352	18	7.2	15	739,438	1,445,251	1.32
21. Latin America.....	175,100	7,900	24.4	7.1	22	6,197,833	7,532,962	0.49
22. United States.....	165,271	3,022	57	7	52	10,874,000	15,419,900	7.6
23. Canada.....	15,601	3,619	6	10	4	4,454,200	4,241,000	6.8

per capita income—the highest of any Latin American country—was only a little less than one-third the U.S. figure, Haiti's income in turn was only one-ninth that of Venezuela, or approximately 1/27 that of the U.S. Similar relationships are established by comparing the remaining data of Table III. For example Argentina with a literacy rate of 86% compares with a 10% rate in Haiti. While yearly per capita electric power consumption is 643 kilowatt-hours in Chile it is only 307 in Argentina, 193 in Venezuela, and 14 in Haiti.

These differing statistics indicate that some republics are industrializing and developing rapidly, while others continue their dependence on agriculture. So, for instance, while in Argentina and Chile the percentage of rural population as a percentage of total population is 38% and 48% respectively, the figures for Haiti are 88%, for Venezuela 50%, and 65% for Mexico. An analysis of these figures is very important since they

(For Annotations see page 200)

<i>National Income U.S. Dollars (millions)</i>	<i>U.S. Dollars per Capita</i>	<i>Annual Rate of Population Growth Percent</i>	<i>Percent Literacy (Age 10 and over)</i>	<i>Rural Popula- tion as Percent of Total</i>	<i>Electric Power per Capita KWH per Year</i>	<i>News- print Con- sump- tion per Day 1955 (kilo- grams per capita)</i>	<i>Calories per Capita per Day (food consump- tion)</i>	<i>Infant Mortality per 1000 Live Births (number)</i>	<i>Road Miles per 1000 Square Miles</i>
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
6,586	358	1.9	86	38	307	6.5	3,110	65.2	82 1
302	100	1.2	20	66	120	0.9	n.a.	116.7	22 2
10,607	190	2.4	48	64	236	2.6	2,350	n.a.	103 3
1,570	225	2.4	74	48	643	3.7	2,490	114.3	116 4
2,688	228	2.2	56	71	97	1.4	2,370	111	111 5
105	125	3.9	79	67	208	2.4	n.a.	83.3	95 6
1,735	299	1.9	76	50	256	4.5	2,730	n.a.	49 7
414	185	1.4	57	76	55	0.4	n.a.	74.2	110 8
314	98	2.7	56	70	42	1.0	n.a.	115.2	45 9
323	175	2.5	40	64	79	1.3	n.a.	81.7	487 10
558	183	2.5	28	68	30	0.8	n.a.	102.7	193 11
207	65	0.8	10	88	14	0.1	n.a.	n.a.	182 12
235	155	3.4	35	69	40	0.4	2,030	59.5	22 13
5,896	210	2.8	46	65	218	2.1	n.a.	94.5	154 14
148	140	3.1	37	65	78	0.6	n.a.	77.5	82 15
288	342	2.6	72	64	164	2.0	n.a.	52.7	49 16
102	68	2.3	64	64	39	0.3	n.a.	75.8	29 17
1,044	117	2.9	43	65	141	1.3	2,077	114.3	44 18
596	253	1.8	85	50	363	8.0	2,940	69.4	90 19
2,734	518	3.1	41	50	193	2.5	2,280	67.7	30 20
36,452	250	2.5	55	65	170	2.1	2,407	87	86 21
300,000,000	1,847	1.7	97	36	3,350	34.2	3,110	26.5	1,123 22
18,774	1,203	1.9	96	38	4,632	22.3	3,120	31.8	50 23

are a fairly good indicator of the degree of industrialization and urbanization of the various Latin American republics as well as of their general state of development. While it is known, for instance, that Mexico is at present one of the most rapidly industrializing republics of Latin America,⁵ it obviously still has a long way to go before it will catch up with accumulated development in Argentina, Chile, or Uruguay for instance.

Before proceeding any further it might be appropriate to offer a warning about per capita income figures: they are difficult to calculate because of the custom of most Latin American nations of using multiple exchange rates. Also price level changes obscure the real picture as well as unusual foreign exchange supply and demand situations in any particular year. It is, therefore, much better and more meaningful to use physical consumption and production indexes to compare the level of living of the Latin American republics. Per capita physical wealth indexes have the further advantage of conveying a true picture of wealth accumulated over time.

By no means are per capita income figures, therefore, the best indicator of the well-being of a nation. Maybe an actual example will best illustrate this. It is well known that Venezuela's present high per capita income is mainly derived from oil exports—94% of all exports in 1953—which do not at all express the nation's general state of development.⁶ This is particularly true since only an insignificant part of the Venezuelan labor force is employed in the oil fields. In general, a large part of the nation is still highly underdeveloped when compared with such countries as Argentina, Chile, or Uruguay. Also, income is much less evenly distributed in Venezuela. This does not preclude the fact that if the oil royalties accruing to the Venezuelan government were profitably employed for the internal development of the nation, Venezuela might eventually emerge as the most prosperous Latin American nation, with the most evenly distributed national income.

But at present a thorough analysis of the Venezuelan economy will only prove that it has not yet reached as widespread a development as Argentina or Uruguay for instance, per capita income figures to the contrary. All that high per capita income figures indicate in this instance is the possibility of rapid growth and development if this income is put to work.

A situation similar to the Venezuelan example is found in Panama where per capita income is \$342 U.S. dollars as compared with \$358 for

⁵International Bank for Reconstruction and Development. *The Economic Development of Mexico* (Baltimore: The Johns Hopkins Press, 1953), pp. 3-18, 184.

⁶J. Walter Thompson Company, *The Latin American Markets* (New York: McGraw-Hill Book Company Inc., 1956), p. 176.

Argentina. Does this mean that Panama is as highly developed as Argentina? Of course not. Most of Panama's income is derived from the business of the Canal Zone. Furthermore, there is a great discrepancy between the few rich, the poor, and the almost self-sufficient rural campesinos whose annual income averages \$14 per person. Of the Panamanian population 64% is classified as rural.⁷ In Mexico, for instance, it has been estimated that in 1950 over 86% of the population received less than \$35 per month, and that of this same group about half have made less than \$12 per month. Of the total population, 12.6% received from \$35 to \$116 per month and only 1.6% more than that. In 1953, average per capita income in Mexico was \$210. Furthermore, in 1950, 61% of the economically active population engaged in agriculture, cattle raising, forestry, fisheries; mining and petroleum produced only 24% of the national income.⁸ These data should suffice to show the shortcomings of per capita income comparisons, since they do not indicate how the income is distributed nor how it was obtained and for what it is spent. More important measures of well-being and general progress would be per capita daily calory food consumption, electric power output, newsprint consumption, agricultural land per person, and many other physical per capita indexes. According to most of these indexes, Argentina would far outrank the other republics, including Venezuela.

Venezuela has not had sufficient time yet to accumulate per capita wealth to the same degree that Argentina did, and except for petroleum development, industry is still in its infancy. A clear distinction must, therefore, be made between the actual stage of development of a particular nation (its accumulated wealth and how it is distributed) and the present rate of progress. While the latter might be a fair indication of the future, the former tells us the story of the present and past. In order to find out the real per capita level of living in the various Latin American republics, a relevant composite of physical output, consumption and per capita wealth figures would have to be compiled. These figures would then have to be compared with per capita income expressed in monetary terms in order to see whether the two sets of figures are the same. If this is not the case, then the physical indexes are a more reliable measure of the people's real level of living than the monetary ones.

Table IV presents a composite of production profiles (physical relatives) and per capita income figures for comparison. For the sake of simplicity and clarity they are all expressed in terms of rank. The Latin American country with the highest per capita electric power consumption, for instance, is assigned the rank 1 under column 4; in this

⁷C. A. Hanberg, "Panama: Pro Mundi Beneficio," *Current History*, April 1957, Vol. 32, No. 188, p. 232.

⁸*The Economic Development of Mexico*, p. 10.

case it is Chile. Only the first two columns present indexes expressed in terms of money.

Column 1 ranks the 20 Latin American republics according to their 1939 per capita income, expressed in dollars of the same purchasing power. Column 2 does the same for 1953. Column 3 indicates whether an increase or decrease in rank has occurred. The remaining columns list physical indexes for the first 10 republics with the highest per capita income in 1939 and 1953. Column 4 lists per capita energy consumption, Column 5 newsprint consumption, Column 6 gives the ranking according

Table IV

RANKING OF LATIN AMERICAN COUNTRIES BY VARIOUS INDEXES*

Country	1	2	3	4	5	6	7	8	9	10	11	12
Argentina.....	1	2	—	3	2	4	1	3	1	1	4	1
Bolivia.....	15	17	—	—	—	—	—	—	—	—	—	—
Brazil.....	16	9	+	5	5	13	2	9	13	6	11	11
Chile.....	2	7	—	1	4	1	3	1	5	4	5	5
Colombia.....	5	6	—	12	10	10	15	6	4	5	15	9
Costa Rica.....	6	15	—	7	7	7	7	n.a.	9	n.a.	7	3
Cuba.....	3	4	—	4	3	8	6	n.a.	10	3	1	4
Dominican Republic.....	11	10	+	15	17	11	10	n.a.	16	n.a.	10	8
Ecuador.....	19	18	+	—	—	—	—	—	—	—	—	—
El Salvador.....	17	12	+	—	—	—	—	—	—	—	—	—
Guatemala.....	14	11	+	—	—	—	—	—	—	—	—	—
Haiti.....	12	20	—	—	—	—	—	—	—	—	—	—
Honduras.....	18	13	+	—	—	—	—	—	—	—	—	—
Mexico.....	9	8	+	6	8	6	11	5	3	n.a.	6	12
Nicaragua.....	13	14	—	—	—	—	—	—	—	—	—	—
Panama.....	8	3	+	9	9	12	8	11	17	n.a.	16	6
Paraguay.....	20	19	+	—	—	—	—	—	—	—	—	—
Peru.....	7	16	—	10	11	3	12	2	7	8	12	13
Uruguay.....	10	5	+	2	1	2	4	n.a.	2	2	3	2
Venezuela.....	4	1	+	8	6	5	5	n.a.	6	7	20	14

* Sources: Table III unless otherwise specified. J. Walter Thompson Company, *The Latin American Markets* (McGraw-Hill Book Company, Inc., 1956), for columns 6 and 7. United Nations *Statistical Yearbook, 1956*, for column 8. Paul V. Horn and Hubert E. Bice, *Latin American Trade and Economics* (Prentice Hall, Inc.), 1949, for Column 11.

- (1) Per capita income 1939.
- (2) Per capita income 1953.
- (3) Increase or decrease in rank of per capital income 1953 over 1939.
- (4) Per capita electric power consumption.
- (5) Per capita newsprint consumption.
- (6) Percentage of labor force employed in mining, manufacturing and construction.
- (7) Ranking according to least percentage of labor force employed in agriculture.
- (8) Ranking according to largest percentage of net domestic product in mining, manufacturing and construction.
- (9) Agriculture land, acres per capita.
- (10) Per capita caloric food consumption.
- (11) Ranking according to least square miles to 1 mile of railroad.
- (12) Per cent literacy, age 10 and over.

to percentage of total labor force employed in mining, manufacturing and construction. Column 7 ranks the 10 wealthiest nations according to the smallest percentage of their labor force employed in agriculture. Because of incomplete statistics this is a double check on Column 6. The same is more or less true for Column 8 which gives the ranking according to industrial origin of net domestic product, that is, the percentage of the net domestic product derived from mining, manufacturing and construction.

Indexes 6 to 8 are particularly valuable in expressing a nation's degree of industrialization. As further statistical evidence will bear out, the most industrialized are also the most advanced Latin American republics.

Column 9 gives a ranking according to the availability of agricultural land in acres per capita. This is, of course, a good indicator of agricultural wealth. So is Column 10, which indicates per capita calory food consumption. Column 11 gives an idea of the development of transportation, indispensable to both industrial and agricultural progress. The 20 republics are ranked according to least square miles to 1 mile of railroad. This is a fair indication of the density of the railroad network. Finally, Column 12 lists the 20 Latin American republics according to their percentage of literacy, age 10 and over.

If all the rankings of the physical indexes of each republic were averaged and then if the 20 republics were ranked again according to the rank of these averages, the picture presented in Table V would be the result.

Though no great scientific value or statistical accuracy can be

Table V
RANKING ACCORDING TO PER CAPITA INCOME AND
AVERAGE OF PHYSICAL INDEXES*

1953 Per Capita Income (\$)	Average of Physical Indexes (4) - (12)	1939 Per Capita Income	Definitely Overrated (+) or Underrated (—) in Terms of 1953 Per Capita Income
2	1—Argentina.....	1	
5	2—Uruguay.....	10	—
7	3—Chile.....	2	—
4	4—Cuba.....	3	
15	5—Costa Rica.....	6	—
8	6—Mexico.....	9	
9	7—Brazil.....	16	
16	8—Peru.....	7	—
1	9—Venezuela.....	4	+
6	10—Colombia.....	5	
3	11—Panama.....	8	+
10	12—Dominican Republic.....	11	

* Source: Composite of Tables III and IV.

attached to the procedure of averaging physical indexes⁹ the results of this procedure still indicates the obvious, namely that Uruguay, Chile, Costa Rica, and Peru are actually doing better than per capita income figures would indicate. The contrary is true of Venezuela and Panama.

Uruguay's multiple exchange system and frequently recurring foreign trade difficulties have obviously made it very difficult to pick the right exchange rate for expressing per capita income in terms of dollars of strictly comparable purchasing power. While Uruguay, even before World War II, had been a wealthy agricultural nation, it stood in second place after Argentina in terms of per capita industrial output. Uruguay in its economic structure is fairly similar to Argentina and is probably the Latin American nation with the most evenly distributed per capita income and wealth. The same is true of Costa Rica, both with regard to income and wealth distribution, and also as far as the difficulties of picking the right foreign exchange rate is concerned. It is very doubtful whether Costa Rica in real terms could have dropped from 6th to 15th place among the Latin American countries. The larger the amount of wealth a nation has accumulated, and the more equally it is distributed, the higher will the level of living in such a nation be compared with another nation with the same nominal per capita income but with less equally distributed wealth and income. What applies to Uruguay also applies to Chile which was among the most highly developed Latin American republics before World War II and which remained in the vanguard among the rapidly industrializing republics of Latin America. Nevertheless as far as overall development is concerned it is very probable that today it has been overtaken by Cuba and perhaps Mexico.

That Peru should have dropped from 7th to 16th place is also very unlikely. It is more likely that its 1939 ranking was too favorable, while in 1953 it was excessively unfavorable, the main reason being the fluctuating influences of foreign trade and foreign exchange rates. In terms of real development, today Peru probably ranks in 9th or 10th place, since between 1945-1955 it has had the largest average annual increase in capital investments among the 20 republics. (See Table VI.)

Two nations that are extremely overrated in terms of real level of living are Venezuela and Panama. While Panama's income is mainly derived from the business of the Canal Zone, it is very unevenly distributed and the nation is completely underdeveloped by the application of any standard but current per capita income. But even according to

⁹Strictly comparable statistics are generally not available on Latin America. The few data that can be obtained are frequently inaccurate. Therefore the application of complicated and refined statistical tools and formulas does not accomplish the expected results.

per capita income statistics, between 1945-1955 income has been going down while the average annual increase in the rate of capital investments has been negligible. (See Table VI.)

Venezuela on the other hand is the most rapidly developing nation when it comes to capital investments, per capita national income, industrial production, and exports. Nevertheless it must be kept in mind that an increase of all these indexes is the direct result of foreign investments in the oil industry and recently in the mining of iron ore as well. An increase in industrial production and exports refers almost entirely to the petroleum industry, which is an exclave.¹⁰ All other physical indexes immediately show the relative underdevelopment of the Venezuelan countryside and population, since petroleum and ore exploitation are concentrated in a few places and employ only a small part of the Venezuelan labor force. Less than 1% of the population is connected

Table VI
MEASURES OF ECONOMIC GROWTH*
Average Annual Increase in Per Cent 1945-1955

Country	Per Capita National Income	Capital Invest- ment	Indus- trial Produc- tion	Food Produc- tion	Export Volume	Cost of Living
Argentina.....	1.7	5.5	3.8	1.9	-3.0	17.2
Cuba.....	1.5	3.1 ³	2.2	2.2	1.6	2.2
Mexico.....	2.5	7.2	3.8	3.8	8.5	9.0
Brazil.....	3.8	6.0	6.6	3.2	7.5	13.0
Dominican Republic.....	4.8 ¹	n.a.	7.2	n.a.	8.0	2.6
Panama.....	-2.0	0.4	n.a.	n.a.	n.a.	0.6
Chile.....	2.0	3.8	4.8	2.1	5.0	24.0
Ecuador.....	3.8 ²	4.8 ⁴	6.0 ¹	n.a.	9.4 ³	2.9 ¹
Peru.....	3.1	17.5	4.6 ⁵	4.0	8.2	12.5
Colombia.....	4.5	6.8	3.6 ¹	2.8	1.0	6.8
Guatemala.....	8.5	10.8	2.2	n.a.	-1.9	2.8
Venezuela.....	4.0	14.2	15.0	n.a.	9.0	5.8

* Source: The Chase Manhattan Bank, *Latin American Business Highlights*, September, 1956.

¹ 1950-55

² 1951-55

³ 1940-55

⁴ 1950-53

⁵ 1945-52

with this industry. Illiteracy is still very high, railroad transportation is the poorest in Latin America and local food supply is not sufficient, in spite of a plentiful supply of land suitable for agriculture.¹¹ Venezuela is a major importer of food. Income is unevenly distributed and there exists a sharp contrast between the rich and the poor. Only 2% of the population can afford to buy luxury goods, while 10% are considered

¹⁰ An economic exclave may be defined as a splinter of one economy lying inside another economy. The Venezuelan oil industry, for instance, is really part of the U. S. economy functioning in Venezuela.

¹¹ J. Walter Thompson. *op. cit.*, p. 174.

as good prospects for lower priced imported articles. Because of all these drawbacks Venezuela today is vigorously pushing the development of its agriculture and is trying to diversify its economy. Mechanization of agriculture and development of non-petroleum industries are the policy goals. The Venezuelan government definitely has the revenues to bolster the nation's internal development. In ten or twenty years it might very well be that the real per capita level of living in Venezuela would be higher than it now is in Argentina or Uruguay. Meanwhile the following dispatch is taken from the *Inter-American Labor Bulletin* of July 1957:

Venezuelan Archbishop Backs Workers

In Caracas, the highest prelate of the Roman Catholic Church, Archbishop Rafael Arias Blanco, has written in a pastoral letter that workers in Venezuela will get a fair share of the country's growing wealth only if they organize free labor unions and if employers assume their responsibilities.

The Government, which is a dictatorship headed by President Marcos Perez Jimenez, took immediate counter measures. Two issues of the Caracas daily newspaper, *La Religión*, were confiscated. The Government security chief threatened the Archbishop and took other steps to show the regime's anger.

In his pastoral letter, the Archbishop said, "Our country's wealth is increasing with astonishing rapidity. But no one can say that this wealth is being distributed in a way which enables all Venezuelans to share it, since a very large number of our people live in conditions that can hardly be called human."

Among the social evils condemned by Archbishop Arias are Venezuela's widespread unemployment and extremely low wage rates. He pointed out that these exist at a time when owners are growing richer and richer "at an almost dizzying speed."

The letter deplored the nation's lack of schools to give its children the "culture and education to which they have a right."

To improve their lot, the Archbishop said, the workers must unite. The Church, he added, has always fought for the right of workers to organize labor unions.

Table VI presents a few growth statistics which indicate that Venezuela is the fastest advancing Latin American nation. But such nations as Mexico, Brazil, Peru, Colombia, and Guatemala are also growing rapidly, and in spite of the fact that the Argentine economy did not

achieve its economic potential under the Peron administration, it has, nevertheless, been able to increase capital investments and industrial production to a considerable extent. In view of the already highly advanced status of the Argentine economy in the early 1940's—when the recent wave of rapid development seemed to have hit the rest of Latin America—it is obvious that these less developed nations will have to accelerate their growth considerably if they ever hope to catch up with Argentina, Uruguay, or Chile.

Table VII lists the stage of manufacturing in eight pre-World War II Latin American republics. It also indicates to some extent the difference in industrial development which existed between Argentina and Uruguay on the one hand and the other six republics on the other. This discrepancy in industrial development puts the problem of catching up into the right perspective.

Table VII

MANUFACTURING INDUSTRIES IN 8 LATIN AMERICAN REPUBLICS*

<i>Republics</i>	<i>Year</i>	<i>Number of Establishments</i>	<i>Number of Wage Earners</i>	<i>Gross Value of Product (Millions of U.S. dollars)</i>	<i>Per Capita Gross Value of Production</i>
Argentina...	1941	57,940	733,968	1,700	122
Brazil.....	1940	70,000	1,412,432	1,500	34
Mexico.....	1940	11,974	240,762	300	14
Uruguay.....	1937	11,470	79,725	216	108
Chile.....	1940	4,169	104,771	200	40
Colombia...	1942	1,415	45,448	135	13.5
Venezuela...	1936	8,025	41,230	70	17
Bolivia.....	1939	681	10,000	10	2.8

* Source: Paul V. Horn and Hubert E. Bice, *Latin American Trade and Economics* (New York: Prentice-Hall, Inc., 1949), p. 294.

For Table VII the years 1939-41 have been chosen purposely since the Venezuelan oil boom only gained momentum after that. Venezuela is, therefore, compared with the other seven republics before the most recent impact of the oil exclave on its rate of economic growth.

While pre-World War II Argentina, Brazil, Mexico, and Uruguay were the most industrialized Latin American nations in an absolute sense, on a per capita basis Argentina was in first place, followed by Uruguay, Chile, Brazil, Venezuela, Mexico, Colombia, and Bolivia.

Furthermore, while per capita manufacturing output was roughly \$122 in Argentina and \$108 in Uruguay, Chile's figure was only \$40, Brazil's \$34, while Venezuela followed with only \$17 per capita. Since both Argentina's and Venezuela's populations since 1940 have increased at about the same rate, Venezuela would have had to increase its manufacturing output by roughly 600% between 1940 and 1945 in order

to catch up with Argentina. This means that Venezuela's yearly per capita industrial output during the 1939-1954 period had to grow by approximately 40%. But as Table VI indicates, the average annual increase in total industrial production only advanced by 15% during 1945-1955, Venezuela's most rapid period of growth. Of course during the same period Argentina's rate of industrial production also kept advancing, but at a much lower rate. And since Argentina started from a much higher plateau of industrial development and output, average yearly industrial production in Venezuela, in absolute terms, has actually not increased faster than in Argentina. This is true in spite of the benefits which Venezuela derived from the foreign financed oil boom.

This comparative analysis of growth rates and absolute growth between Argentina and Venezuela has been presented in order to indicate a frequent weakness of growth rate analyses. A nation that produces one pair of shoes in the first year and two pairs in the next, is not necessarily better off than a nation that produces 100 in the first and 110 pairs in the next year, only because in the first instance the rate of growth was 100% while in the latter 10%.

It must therefore be realized that it makes a difference whether the growth rate of a small, underdeveloped nation, or of an already industrialized country is under consideration. In 1953 it has been calculated, for instance, that given the long run yearly per capita rate of growth in the United States of 2%, and assuming a slightly higher average rate of growth of 2.4% for all of Latin America, that it would take 252 years for per capita income in Latin America to even reach one-third of the United States figure. The ratio of income between the United States and Latin America at the beginning of the calculations would be 1:8, that is, per capita income in Latin America in 1953 was $\frac{1}{8}$ of the United States figure.¹² What holds true for growth comparisons between the United States and Latin America of course also applies to comparisons among the Latin American republics.

In summing up what has been said so far, we cannot avoid considering both Argentina and Uruguay as still being the wealthiest Latin American countries, particularly as concerns an evenly distributed standard of living and per capita income and wealth. Bolivia is at the other extreme. The rest of Latin America is somewhere in between with a few of the republics rapidly advancing, and others rapidly falling completely by the wayside. To the latter group belong such countries as Bolivia, Paraguay, Haiti, and some Central American republics. These are particularly slow in their rate of development. Table VIII presents

¹²Economic Commission for Latin America. *Analysis and Projections of Economic Development*. United Nations Document No. E/CN. 12/363 (Lake Success, N.Y., 1955), p. 11.

a few of the latest physical statistics available for Argentina, Uruguay and Venezuela.

Table IX lists the Latin American capitals and their populations. This information is important, since the capital city in most Latin American countries is also the largest city and the center of industry and commerce. Except for Brazil, which has two cities with over one million inhabitants, the second largest city in most Latin American republics is very small, generally less than 1/10 the size of the capital. As regards the comparison of Argentina and Venezuela in particular, it must be noted that highly

Table VIII
SOME PHYSICAL INDEXES OF WEALTH AND DEVELOPMENT*
(Latest Available Data)

	Argentina	Uruguay	Venezuela
Mid 1955 Population (thousands) . . .	19,111	2,615	5,774
Literate, age 15 and over.	87%	85%	52%
1956 per Capita Kilowatt-hours			
Produced.	327	452	228
1957 Merchant Marine Tonnage. . . .	901,000	58,000	196,000
1955 Railroad Mileage.	27,273	1,837	180
1954 Highway Mileage—Total.	89,090	6,342	10,674
Improved.	34,384	6,200	6,174
1956 Telephones in Use.	1,127,933	114,300	104,500
1954 Farm Tractors.	45,000	26,012	6,400
1956 Production of Pulp Paper and			
Board (tons).	283,634	26,500	14,500
1956 Production of Textiles—			
Cotton Products (tons).	95,000	9,500	5,417
Wool Products (tons).	29,700	15,900	158
1955 Intensity of Industrialization			
(% of total industrial production not			
taken up by foodstuffs, beverages,			
and tobacco).	78.4%	62.5%	49.6%
1956-57 Wheat Production			
(thousands of tons).	7,130	840	1.8
1956 Petroleum Production			
(thousands of tons).	5,016	.....	131,220

* Source: United Nations, *Economic Survey of Latin America*, 1956, Part 3, No. 583. Also United States Department of Commerce, *Statistical Reports*. Part 3, No. 58-3, 1958.

industrialized Buenos Aires has almost as many people as the entire population of Venezuela. (See Table VIII).

RECENT PATTERNS OF INFLATION AND ECONOMIC GROWTH IN LATIN AMERICA

If anything is characteristic of the post World War II period it is inflation. Practically no nation has been able to avoid its distorting effects. Latin America is no exception. But since all nations of the world now have inflation, the concept as such loses significance as an

Table IX
LATIN AMERICAN CAPITALS AND THEIR POPULATION*

<i>Country</i>	<i>Capital City</i>	<i>Population</i>
Argentina.....	Buenos Aires.....	4,559,422
Bolivia.....	La Paz.....	321,000
Brazil.....	Rio de Janeiro.....	2,325,931
Chile.....	Santiago.....	1,248,283
Colombia.....	Bogota.....	638,562
Costa Rica.....	San Jose.....	86,909
Cuba.....	Havana.....	1,157,000
Dominican Republic.....	Ciudad Trujillo.....	181,553
Ecuador.....	Guayaquil ¹	266,637
El Salvador.....	San Salvador.....	161,951
Guatemala.....	Guatemala.....	284,922
Haiti.....	Port-au-Prince.....	134,117
Honduras.....	Tegucigalpa.....	72,285
Mexico.....	Mexico D.F.....	3,049,561
Nicaragua.....	Managua.....	107,444
Panama.....	Panama City.....	127,407
Paraguay.....	Asuncion.....	230,000
Peru.....	Lima.....	926,400
Uruguay.....	Montevideo.....	850,000
Venezuela.....	Caracas.....	693,896

* Source: J. Walter Thompson Company, *The Latin American Markets* (New York: McGraw-Hill Book Company, Ind., 1956).

¹ The capital of Ecuador is Quito, but is is the only capital in Latin America that is not the largest city in the country. Some sources claim that Sao Paulo in Brazil has overtaken the population of the capital, Rio de Janeiro, but official statistics do not confirm this.

analytical tool in the measurement of economic growth for which it formerly was applied. Traditionally a nation that had inflation was assumed to be in bad economic shape. While this still holds true in the sense that inflation means trouble of one sort or another — an excess of it actually retarding growth — the important consideration now is economic development per se, since it is frequently found together with inflation. Today the primary consideration is the yearly real percentage increase of the rate of growth and development, and of only secondary importance is the degree of inflation that might result from it.

If the problem is so stated, then the whole question of inflation appears in a different light. Maybe inflation is necessary or unavoidable in order to achieve rapid economic growth in underdeveloped areas, since it probably is the result of rapid growth itself. If this were true, then how much should the rate of inflation be, or how much would be permissible? Since high inflation countries have frequently developed faster than their less inflationary neighbors, it will be shown that some of the Latin American republics with rather high rates of inflation are the fastest growing nations of the Western Hemisphere. These nations generally also happen to be the larger American republics which already count

with an absolute amount of past development.¹³ Perhaps inflation today is actually an indication of rapid growth rather than a sign of decay.

THE CORRELATION BETWEEN INFLATION AND GROWTH

The following analysis and exposition will take the relatively stable United States economy as a basis for comparison. It might be surprising to know that in the past decade, while ten Latin American republics had more, ten republics had less inflation than the United States. (See Table IX). Furthermore, there existed quite a spread in the rate of inflation among the eleven high inflation countries listed. In some nations prices during the 1946-56 decade doubled, while in three countries prices increased 25 times, with a maximum of 119 times in Bolivia. Among the countries with less inflation than the United States, one had almost no inflation at all, while two had less than one-third the United States rate.

Table X
AVERAGE ANNUAL RATE OF INFLATION*
(Per Cent Increase in Cost of Living 1946-1956)

High Inflation Countries	Low Inflation Countries
Bolivia.....63.0	Venezuela.....4.7
Paraguay.....43.8	Costa Rica.....4.3
Chile.....35.7	Ecuador.....3.5
	Guatemala.....3.3
Argentina.....19.8	Honduras.....2.9
Brazil.....15.4	Dominican Republic.....1.9
Peru.....12.4	Cuba.....1.4
Colombia.....9.6	Panama.....0.6
Uruguay.....9.1	Haiti ¹.....n.a.
Mexico.....7.8	
Nicaragua.....6.9	
United States.....6.0	
El Salvador.....5.9	

*Source: The Chase Manhattan Bank, *Latin American Business Highlights*, March, 1957, p. 1.

¹Data for Haiti, which is also a low inflation country, are not available.

In discussions of inflation, it seems to be frequently implied that the nations with the lowest rates of inflation are developing faster than those with rapidly rising price levels. Statistical evidence does not bear out this contention. While the Latin American nations could be classified into three groups: low, moderate, and high inflation countries, this does not necessarily indicate their real per capita rate of growth. Such a classification does not consider many of the other fundamental factors

¹³"Comparative Statistics on the Latin American Republics," *World Trade Information Service*. U. S. Department of Commerce, Washington, D. C., Part 3, No. 58-3.

which have a bearing on growth and development.¹⁴

As a matter of fact, rapidly developing countries are found in each of the three mentioned groups. On the other hand, not all high inflation countries are stationary or actually deteriorating in their development. Table IX groups the twenty Latin American republics according to their annual average rate of inflation for the 1946-56 period. Table VI gives an indication of real per capita economic growth for the 1945-55 period.

As Table VI indicates, per capita income declined only in one of the listed republics, in Panama, the Latin American nation which almost had no inflation at all. On the other hand, both Argentina and Chile had moderate rates of growth, though the latter is listed among the high inflation countries, while Argentina heads the moderate inflation countries. Furthermore, it is in the latter group that substantial rates of growth are found, frequently higher than in the United States.

When industrial production and capital investments are analyzed, Argentina, Chile, and Brazil, as well as Mexico, make a good showing, though it cannot be denied that some of the low inflation countries have the area's highest rate of growth and investment. But it must not be forgotten that most of the latter are small republics starting their development from a very low level when measured in absolute terms. Venezuela is an exception among the low inflation groups because of its favorable position as a substantial supplier of the world's petroleum. Panama on the other hand, the lowest inflation country in Latin America, had a negative rate of growth. The same is probably true for Haiti, which together with Bolivia — an excessively high inflation country — is considered to be among the poorest nations of the Western Hemisphere. (See Table II).

There exists no doubt that in general the low inflation countries are not necessarily the wealthiest Latin American republics. Quite to the contrary, most of them have the lowest per capita incomes of the area. They are also the least industrialized nations. This is even true for Venezuela when it is compared with such relatively high inflation countries as Argentina, Brazil, and Chile, or to a lesser degree Mexico.

THE EFFECTS OF INFLATION ON ECONOMIC GROWTH

From the foregoing discussion it might be tentatively concluded that the influence of inflation on growth and development is very subtle at best, and that except where it has run wild, it is impossible to measure accurately its impact on economic growth. To this can now be added that even where inflation has been excessively high, as in Paraguay,

¹⁴For an excellent treatment of this subject see: Economic Commission for Latin America, *Theoretical and Practical Problems of Economic Growth*. United Nations Document No. E/CN 12/221 (Lake Success, N.Y., 1951).

Bolivia, and Chile, for instance, slow economic progress can frequently be attributed to political problems, which quite often have led to the introduction of restrictive economic controls and regulations, rather than to inflation itself. Of course the same is also true of moderate and low inflation countries where growth has been slow. In these cases economic development has frequently been hindered by government intervention in economic activity rather than by inflation.

It is not inflation as such that hinders development in every instance, but rather the fact that in some nations inflation necessitates government intervention which is in turn the real brake on development. It is only in this indirect sense that we could definitely say that inflation in the long run might hinder development, or at least slow down the potential rate of growth, since it is with inflation and with controls that most of the twenty Latin American republics are growing. Yet it must be added that there are some republics which are actually growing faster than the United States, though they have higher rates of inflation than the latter, as well as an excessive amount of economic controls and regulations.¹⁵

All that can be said, therefore, is that with the statistical information available at present¹⁶ there seems to be no easily discernible long run effect of inflation on countries in which the price level rises at an annual average rate of 15%. Of the five Latin American republics that had rates higher than that, all but Brazil suffered from a retardation of economic growth. But even Argentina and Chile, whose per capita output actually declined rapidly after 1948-49 — when it had reached an all-time peak — were able to show a 1.7% and 2% per capita rate of growth for the total period 1945-1955.¹⁷ This still compares very favorably with the historic 2% rate of improvement in living standards in the United States. For all of the Latin American area available goods and services have increased by 3.6% yearly on a per capita basis during 1945-55.¹⁸ This would unquestionably be an excellent record of growth, even without inflation.

Where inflation has been larger than 15% a year, it seems to have retarded economic growth, or at least decreased the former rate of growth. For the nations with inflationary rates below 15% a year, no means has yet been devised to reliably measure the impact of inflation on development, since some of the moderate inflation republics have grown faster than their sister republics with almost no inflation at all.

¹⁵Economic Commission for Latin America, *Economic Bulletin for Latin America*. United Nations. Vol. 1, No. 2. September 1956, p. 3.

¹⁶The Chase Manhattan Bank, *Latin American Business Highlights*. March 1957, pp. 1-7.

¹⁷*Ibid*, September 1956, pp. 4-6.

¹⁸Pedro C. M. Teichert, "Some Aspects of Industrial Protectionism in Latin America," *Current Economic Comment* (Urbana: University of Illinois, Bureau of Economic and Business Research), Vol. 19, No. 1, February 1957, p. 52.

Also one of the republics with almost no inflation at all has actually decreased yearly per capita output over the decade under study.

The foregoing does not mean that too rapid a rate of inflation — even a moderate one — is not bound to create business uncertainty, and that normal relationships between prices become distorted as the latter rise. Inflation should be particularly watched, since economic growth depends upon an environment in which plans for investments, production, and consumption can be made with some certainty of price stability. When inflation is unpredictable such certainty and security disappears. Nevertheless, it seems that in Latin America business has always been successful in discounting the future rate of inflation. Traditionally excessive rates of profits make inflation less of a risk for the Latin American business man than might be expected.¹⁹

It is also frequently alleged in discussions of economic development that because a country is poor, deficit financing and hence inflation are necessary if the government is to provide those services and investments which will stimulate economic growth. This implies that the demand for public expenditures and investments is larger than can possibly be met by conventional taxation. On the other hand, it has been argued at the same time that inflation is the cause of poverty in many countries. Though these statements are not wholly false, they are, to say the least, misleading as well as contradictory.

With regard to the first argument, employing deficits for further development, it can of course be pointed out that many countries have worked out development programs without running large deficits. This is particularly true of Cuba, Mexico, Venezuela, El Salvador, Ecuador, Costa Rica and the Dominican Republic. On the other hand, in countries where development programs did cause inflation because of deficit financing, the social cost of this inflation in conjunction with the web of controls that usually accompanies it, must be weighed against the possible gain of the development program that causes it. It must also be kept in mind that in open economies deficits do not always create new resources. They simply divert them from other uses. The result is inflation which is really a form of taxation, shifting real resources from private to government use. Whether this process actually advances the cause of economic growth and development is not quite clear and still debated. But in some countries at least it seems to have had a favorable effect on economic growth.²¹

¹⁹*The Economic Development of Mexico*, p. 7.

²⁰Pedro C. M. Teichert, "Latin America and the Peripheral Theory of Economic Development," *The Centennial Review*. Vol. II, No. 1, Winter 1958, pp. 91-97.

²¹Pedro C. M. Teichert, "Recent Patterns of Economic Development in Mexico," *Current Economic Comment*, Vol. 19, No. 4, November 1957, pp. 34-38.

With reference to the second argument, alleging that inflation is responsible for general poverty and mal-distribution of income, the evidence is also meager, since it is well known that in many Latin American republics low living standards existed long before inflation began. Moreover, a great deal of economic growth has taken place in a context of inflation as was elaborated above. It is difficult and almost impossible, therefore, to compare such two countries as Bolivia and Chile, both having rampant inflation. While the former has relatively few resources, difficult topography, a traditionally slow rate of growth and many other sociological and economic problems, the latter has relatively rich land and resources with a vigorous population and an historical record of substantial economic growth. It would indeed be impossible to relate their differing material progress to the factor of inflation alone.

If another pair of countries with a similar but moderate rate of inflation is compared, we again find that one nation is advancing faster than the other. This has been true of Argentina and Brazil for instance. While the latter in spite of inflation has continued to grow at a rapid pace, the former has not noticeably moved forward for almost a decade, though Argentina has traditionally been the wealthiest and most developed nation of Latin America. It might be suspected, therefore, that other factors rather than inflation are often of predominate importance in determining a nation's economic growth.

CONCLUSION

From the foregoing statistical analysis it should not be difficult to conclude that economic development in Latin America is very complicated and cannot be explained by formulating simple patterns of thought or models of growth. It is also unwarranted to make generalizations about Latin American economic development, since they can quickly be disproven. Fixed patterns of thought are much too naive to have any applicability in the Latin American scene.

Table III indicated that the 20 Latin American republics are not a very homogeneous group of nations as far as their economic development and accumulation of wealth is concerned. Today most republics find themselves in different stages of development. At present there exists as much difference between Argentina and Bolivia, as there is found between Western Germany and Greece; and while some republics are rapidly developing, others are actually stagnant in their growth.

Most of the patterns of thought referred to at the outset of this investigation cannot be confirmed, no matter how biased the interpretation of the statistical evidence, unless of course the available data are purposely misrepresented. There exists, for instance, no evidence that large U. S. investments in certain Latin American nations are a guarantee that standards of living will be highest or higher than in countries that do

not receive U. S. private or government aid. Whether foreign investments are really beneficial to a nation will ultimately depend on the field investment and on government policy in connection with the redistribution of the earnings for such investments. Huge U. S. investments in the petroleum industry in particular, in the past do not seem to have been too encouraging as regards national development of the receiving nations. Incidentally this conclusion or statement is in no way intended to blame the oil companies for insufficient national growth of the nations where the former are located.

But contrary to commonly held opinions, Latin American republics have also developed without the benefit of U. S. investments. Some have even developed their own oil resources without U. S. financial aid or direct foreign investments. The figures published by the combined United States-Mexican Working Party in their survey of Mexico indicate that 89 percent of the total investment in Mexico during the 1939-50 period arose from domestic savings. Only 4 percent arose from an increase in foreign liabilities, while 7 percent had to be credited to errors and omissions in the total balance of payments.²² It might be added, on the other hand, that foreign investments, if beneficially applied and used, will of course accelerate economic development in the receiving country and avoid unnecessary hardships and sacrifice which would otherwise result. But the latter is not the same as saying that absence of foreign investments makes growth impossible, and the nations obtaining foreign investments will of necessity always be better off and grow faster than those receiving no foreign assistance at all. Neither has it been proven that inflation is directly and positively correlated to economic growth, since cases exist where nations with high inflation rates have actually grown faster than nations with decreasing price levels.

Though the problems and common thought patterns of industrialization have not been discussed in this study, a cursory examination of the statistical evidence presented indicates that industrialization in many republics has already progressed very far. Statistics also indicate that the most highly industrialized nations of Latin America are also the wealthiest.

In summary, no simple solution or truth exists in connection with Latin American growth patterns and economic development trends. Only complete and careful statistical analyses can be accepted as partial evidence in support of theoretical formulations and developmental patterns of any kind. Unfortunately, too many assumptions about Latin American development have lately been made without the benefits of careful statistical analysis. Frequently sufficient statistics and factual information have not even been available, and conclusions about certain develop-

²²*Ibid.*, p. 36.

mental trends are, therefore, only intelligent guesses.

Neither the absence of inflation, nor the presence of an industrialization drive, neither general investments by the U. S. nor huge investments in the petroleum industry, will individually solve Latin America's problems and determine exclusively and independently its developmental patterns and the rhythm of growth of each and every one of the 20 Latin American republics. What in the final analysis will count in the Latin American scene is the social and cultural background of each nation, the degree of government controls imposed, and the availability, quality, and quantity of resources, both material and human.

The greater the supply and skill of labor, and of all types of natural resources and capital equipment, the higher will be the level of output, other circumstances being given. Output will also be affected by the available techniques of production, which affect the nature of the capital equipment available, and the processes of production which are employed. Finally, the general economic, political, and social environment will affect the efficiency of the conduct of production and the level of output.

It must also be kept in mind that social relationships influence worker and employer morale, and that government controls may drastically reduce the efficiency of the conduct of production. It of course might also increase it in certain cases. Over a period of time, therefore, the real level of income will depend primarily upon changes in these determinants, particularly the development of improved techniques, the introduction of better types of capital equipment, and the gaining of greater skill on the part of labor and management among others.

That Latin America is determined to improve along all fronts simultaneously can best be illustrated by forecasting the development of a Latin American nation — Mexico, with a medium rate of inflation of 10% for 1956-57, and an average rate of inflation of 7.8% for the 1946-56 period. An estimate by the Economic Commission for Latin America²³ is that by 1965 Mexican manufacturing production will have increased by 93%, agriculture by 55%, with yearly growth rates for cotton of 6%, coffee of 8%, and wheat of about 8-9%. Sulfuric acid production will rise 138%, iron and steel 177%, and electric power 185%. Oil production will rise 135% and durable consumers' goods by 273%. Production and gross national product is presently expanding at twice the rate of population growth. Population in turn will double in 20 years.

Similar advances are expected for Argentina which has already contracted to receive 1 billion dollars of foreign investment aid for petroleum development. The latter will free enough foreign exchange to give industrialization another boost, and in three years the nation is expected

²³The Chase Manhattan Bank, *Latin American Business Highlights*. September 1957, p. 22.

to be self-sufficient in oil. From now to 1967 total output should grow 5% yearly and allow a 2.8% increase per year in per capita production. All of this will take place without oil investments being a paramount part of the nation's total yearly investment outlay, as for the worse or for the better, is the case in Venezuela.

Only the future can tell which developmental approach, if any, will finally turn out to be more beneficial: Argentina's diversified and principally nationally sponsored growth and investment experienced in the past 15 years, or the Venezuelan approach of putting all eggs in one basket, that is, exclusive development of one principal export resource almost exclusively financed by foreign enterprise. Of course it might easily turn out to be true that each of the two countries did well by using the approach it did, since different national resource characteristics might have required a different developmental approach in each particular instance.

SOURCES AND ANNOTATIONS FOR TABLE III

- (1-2) POPULATION: UN *Monthly Bulletin of Statistics*, Statistical Office, UN, New York City, Nov. 1955, Table 1, pp. 1-5, except for Haiti which is found in UN *Demographic Yearbook*, 1954, New York, 1954 (6th Issue), Table 1, pp. 100-102. Note: Figures are official end-year estimates for 1953. In general, the data refer to the population within present territorial boundaries (either residing in the area or actually present there); armed forces outside the country are included wherever possible. For City Population see: J. Walter Thompson Company, *The Latin American Markets* (New York: McGraw-Hill Book Company, Inc., 1956).
- (3) AREA: UN *Statistical Yearbook*, 1954, New York, 1954, Table 1, pp. 24-26.
- (4-5) PERCENT OF AGRICULTURAL LAND AND ACRES PER CAPITA: From "Congressional Presentation of Mutual Security Program for 1954" (unpublished), International Cooperation Administration, and *Yearbook of Food and Agricultural Statistics*, 1954, FAO, Rome, 1955, pp. 3-5 for Canada.
- (6) POPULATION PER SQUARE MILE: "Comparative Statistics on the American Republics," *World Trade Information Service*, U. S. Department of Commerce, Washington, D. C., Part 3, No. 55-47, Table 1, p. 1, Data for Mid-1953. For Canada, U.N. *Statistical Yearbook 1956*.
- (7-8) IMPORTS AND EXPORTS: "Comparative Statistics of the American Republics," *op. cit.*, p. 4, and U.N. *Statistical Yearbook 1956*. Data are for 1953.
- (9) PER CAPITA ENERGY CONSUMPTION IN METRIC TONS OF COAL EQUIVALENT: J. Walter Thompson Company, *The Latin American Market*. For Canada and U. S., U.N. *Statistical Yearbook 1956*.
- (10-11) NATIONAL INCOME AND U.S. DOLLARS PER CAPITA: "Comparative Statistics on the American Republics," p. 4. Figures on per capital national income are subject to considerable error and different methods of computation. Furthermore, the data are for different years

- and for different countries. Canadian data from U.N. *Statistical Papers Series H. No. 8*, p. 1. (Most figures for 1952-53).
- (12) ANNUAL RATE OF POPULATION GROWTH: "Congressional Presentation of Mutual Security Program for 1954," and U. N. *Demographic Yearbook 1953* for Canada.
 - (13) LITERACY: "Illiteracy in the American Nations. Results of Population Censuses Taken Since 1946," Inter-American Statistical Institute, Washington, D. C. (mimeo.), January 17, 1956, for following countries: Brazil, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Haiti, Honduras, Nicaragua, Panama, and Venezuela; balance of countries from *Basic Facts and Figures*, UNESCO, 1954. Also "Comparative Statistics on the American Republics."
 - (14) PERCENT RURAL: *Situación de América Frente Al Analfabetismo, Resultados de la encuesta efectuada por la División de Educación*, 1955, Organización de los Estados Americanos, Consejo Interamericano Cultural, Unión Panamericana, Departamento de Asuntos Culturales, Washington 6, D.C., CIC-Sec., Doc. 19, 23, Mayo 1955, p. 81; Paraguay and Uruguay from "Comparative Statistics on the American Republics," Canada from U.N. *Demographic Yearbook 1952*.
 - (15) ELECTRIC POWER: *World Power Data, 1954, Capacity of Electric Generating Plants and Production of Electric Energy*, Bureau of Power, Federal Power Commission, Washington, June 1955, p. 2. The figures show annual electric energy production for the year 1954, based chiefly on statistics of the UN and despatches of the U.S. consular agents. Production figures include both utility and industrial output where known. *World Power Data* have been published in the annual reports of the Federal Power Commission for 1952 and subsequent years. For U.S. and Canada data are from U.N. *Statistical Yearbook 1956*.
 - (16) PER CAPITA NEWSPRINT CONSUMPTION IN 1953: "Comparative Statistics on the American Republics," and for Canada from U.N. *Statistical Yearbook 1956*.
 - (17) DAILY CALORIES OF FOOD CONSUMPTION: *UN Statistical Yearbook, 1956*, pp. 304-305 (latest data available between 1949-54) for following countries: Argentina, Brazil, Chile, Colombia, Cuba, Honduras, Uruguay, United States, Venezuela, and Canada; *Yearbook of Food and Agricultural Statistics*, 1954, FAO, Rome, Italy, 1955, Vol. VIII, Part 1, Table 81, p. 206, for Peru; "Congressional Presentation," for Bolivia, Mexico, and Paraguay.
 - (18) INFANT MORTALITY: *UN Demographic Year, 1954*, Table 31, pp. 590-593. Note: These rates represent number of deaths under one year of age per 1,000 live births which occurred during the same period. In some countries, the data apply to year of registration rather than year of occurrence. In only five countries and seven overseas territories are the data stated to be complete or virtually complete. For the balance, the data are said to be affected by irregularities in registration or incomplete coverage. For detailed information on these data, see footnotes following Table 31 in the *UN Demographic Yearbook* cited above and the definition of terms on p. 33. Also U.N. *Statistical Yearbook 1956*.
 - (19) ROAD MILES: *Automobile Facts and Figures*, Automobile Manufacturers Association, Washington 6, D.C., 35th Edition, 1955, p. 26.

(Source is International Road Federation; Bureau of Public Roads, and Automotive Division, Department of Commerce.) Data are for 1954. Roads are defined as all weather roads, passable by motor vehicles: trail mileage is not included. For Canada figures are from *Canada 1954*, Dominion Bureau of Statistics, Ottawa, 1954. (Surfaced roads only).

REALIDAD Y RUTA DE LA ECONOMIA INTERAMERICANA

Raúl Maestri

Las Américas, desde el punto de vista económico, ofrecen en estos momentos el espectáculo de una familia cuyos miembros no se guardaran, entre sí, las debidas consideraciones y que, en consecuencia, atravesara una etapa de crisis, sobre todo potencial.

Habría que agregar que a ninguno de los parientes, en trance de contradicción y distanciamiento, puede convenir el quebrantamiento de la unidad e inteligencia familiar. Ni hoy, ni para mañana y, menos que menos, para pasado mañana.

Así las Américas. La América Latina crepita en la sartén de un desarrollo económico insuficiente, errático, aleatorio. Estados Unidos parece estimar que los problemas económicos existentes en el continente se pueden y deben resolver sobre la marcha, a la manera de incidentes casuísticos que no justificaran, en todo caso, más que alteraciones de pulso o dosificación dentro de un cierto tratamiento establecido.

De aquí bifurcan orientaciones dispares, que al reiterarse y no superarse tienden, por inercia, a hacerse más hondas y sensibles.

La América Latina está urgida. Los Estados Unidos, por su parte, insisten en una actitud de parsimonia y escrutinio. La primera posición, naturalmente, se inclina hacia la cirugía mayor. La segunda, por el contrario, hacia un dilatado tratamiento clínico.

Ambas partes, sin embargo, harían bien en ponerse de acuerdo, siquiera sea sobre una base mínima y experimental.

El interés es común. El destino de la economía interamericana encierra la gran variable del desarrollo económico de la América Latina. Y la economía interamericana y el congruente desarrollo latinoamericano, son para los Estados Unidos factores trascendentales, cuya prioridad no cede a cualesquiera otros, en el horizonte de su política económica internacional y, en general, en su política como gran potencia.

El problema de la economía interamericana no se puede ni debe

plantear y desenvolver como si fuera una pura cuestión económica. Tampoco se le puede concebir descriptiva o anecdoticamente. Es menester, a tiempo de pesar la variedad de sus elementos y situar a cada uno en su relativo punto, no perder de vista lo esencial, a saber, que se trata de un problema de política económica internacional, real y complejo.

El desarrollo económico es para la América Latina cuestión de vida o muerte. No se trata, de un menester oficial, administrativo, de buenas intenciones o de apostolado laico. Se trata, repetimos, de una cuestión de vida o muerte. O la América Latina desarrolla bien su economía o se convierte en un campo abierto al extravío, vernáculo o importado.

Por su parte, si Estados Unidos no reacciona frente a esta posibilidad yacente y expectante y asume el papel conductor que le corresponde, dejará mortalmente expuesto un flanco en los momentos en que, quiéralo o nó, tiene que arrostrar las más serias y perdurables responsabilidades de la historia.

He dicho — y repito ahora, con mayor énfasis si cabe — que la América Latina es el talón de Aquiles de los Estados Unidos. En efecto, el punto de apoyo de la posición americana, en el pugilato por la hegemonía del mundo, está y no puede sino estar en la América Latina. Los americanos del Norte no acaban todavía de comprender claramente — salvo las ejemplares excepciones que hay que saludar — que la humanidad tiende a medir la virtualidad de la política americana, sobre todo, en su relación con los países menos desarrollados, por el metro interamericano.

La política interamericana de los Estados Unidos no se debe decidir en virtud de una simple y fácil teneduría de libros, ignorante de cuanto no se traduzca en dólares y centavos. Esta política para ser tál, no puede perder en ningún momento la conciencia de los valores en juego, de lo especial e imponderable.

La acción comunista en la América Latina que, como en todas partes, no descansa un minuto ni desdén ningún frente, es más que probable que no persiga en esta área una plena y total victoria. Su objetivo es limitado y su intención es táctica: ablandar la retaguardia de los Estados Unidos, sembrar la semilla para quien sabe que eventual vendimia pero, sobre todo y desde luego, desacreditar a los Estados Unidos a los ojos de la humanidad menos económicamente desarrollada, o bien derrotándolos en determinados puntos o bien provocándolos en todos.

El reto comunista es el hecho capital de la época. Vá mas allá del campo propio del desarrollo económico. Pero el desarrollo económico de los pueblos atrasados, como motivo o como finta, es una de las piezas mayores que mueve en su gambito. Quien no comprenda esto, con íntima y perfecta diafanidad, está a ciegas frente al ominoso horizonte de los días que corren. El caso de la América Latina no es el único. Para una potencia de la magnitud de Estados Unidos, rodeada de los con-

siguientes riesgos, todos los casos son significativo, llámense Medio o Lejano Oriente, África o Indonesia. Pero ninguno lo es tanto para Estados Unidos como la América Latina, dados su méritos propios económicos y financieros, su relevancia estratégica y — *last but not least* — su primario valor de imponderable, de símbolo.

DIFERENCIA Y DISTANCIAMIENTO

El hecho que postulamos del distanciamiento interamericano no está imbíbido en su diferencia.

Al contrario. La diferencia económica entre las dos grandes Américas — en el grado de su desarrollo, en su estructura y sus funciones, actuales y eventuales — planta, de suyo, el jalón para abrir la vía de las realizaciones interamericanas, llamadas a ser dinámicas y positivas para ambas partes.

En el fondo del hervor latinoamericano hay la conciencia de esta ingente posibilidad y la amargura y desesperación de su postergación o su malogro. Sin duda que si se estudiara hasta la raíz la tónica de resentimiento que, por desgracia, está haciendo de las suyas en la América Latina, habría que puntualizar numerosas circunstancias, vernáculos y foráneas, que operan a la manera de concausas. Pero en este trasfondo, resalta un virulento antecedente, a saber, la conciencia que penetra la América Latina de que una dinámica articulación interamericana podría ser la palanca de Arquímedes que, mejor que cualquiera otra cosa, impulsara y orientara el desarrollo económico del hemisferio. Ya sabemos que esa articulación, como fórmula suficiente y deliberada, brilla por su ausencia, y es precisamente esta omisión la que, por una parte, exacerba la natural impaciencia latinoamericana y, por otra, ofrece gratuitos e imprevistos blancos a cuantos, de dentro y de fuera, se proponen capitalizar a costa del déficit interamericano.

La América Latina constituye, en general, un caso de economía abierta. En consecuencia, su comunicación con el extranjero es, para ella, cuestión decisiva, de "ser o no ser" económico y no de más o menos prosperidad o bienestar. La exportación es para la economía de la América Latina, pudiéramos decir, el piso sobre él que levanta el edificio mayor o menor de sus ingresos, ya directamente o por vía de difusión y multiplicación. Por lo tanto, todo atentado contra la exportación de la América Latina, equivale casi tanto como a quitarle a un individuo, de debajo de los pies, el terreno que pisa.

La trascendencia de la exportación es primaria pero la de la importación es también primordial. Sin suficiente y adecuado importación la América Latina no dispondría de recursos para promover su desarrollo económico y, por añadidura, su nivel social y cultural de vida sufriría un menoscabo que, políticamente, no parece cómodo o fácil de tolerar.

Sin exportación bastante, en volúmen y precio, la América Latina se vería amenazada, pero sin adecuada importación no podría progresar. Su dependencia del extranjero es pues, a doble título, radical y determinante.

La típica supeditación a la exportación que caracteriza la economía de la América Latina, la hace particularmente vulnerable a la acción de terceros. Pero, además, el índice de esta vulnerabilidad aumenta en virtud de dos circunstancias: primero, la América Latina exporta un limitado repertorio de artículos y, segundo, el nivel de sus precios de exportación—componiéndose mayormente, como es sabido, de materias primas y primarias, alimentos y combustibles— parece demostrado estadísticamente que es más frágil que el de los productos industriales y manufacturados, dada la mecánica imperante en los mercados mundiales de cambio.

De estos datos aquí apuntados—en su perfil mas sumario, por supuesto—se deduce una conclusión, general pero significativa: la economía de la América Latina es como un predio expuesto al estrago de fuerzas aleatorias.

Un resultado que no podemos dejar de la mano se contráe al ingreso, nacional y per cápita, de las economías de la América Latina. La media es exígua. Pero lo peor es que tanto en los seculares ciclos de baja como en los extraordinarios de las altas de coyuntura, suele estar mal distribuido, a los efectos sociales e inclusive económicos. He aquí la fuerza que desata una dura cadena de consecuencias: A bajo ingreso corresponde un alto gasto relativo de consumo y son mínimos el ahorro, la capitalización y la inversión.

Pero peor que todo esto, con serlo tanto, es el hecho mismo de la exposición de la América Latina al efecto imprevisible e incontrolable de conmociones de tal naturaleza que parece como si fueran a desgajar el árbol todo de la economía nacional.

En tales condiciones, el desarrollo económico apenas si justifica el nombre. Cuando se está en el hoyo de la crisis, parece como si se fuera a hacer efectiva la cuenta de la anarquía. Pero cuando se sale de la misma, suele ser del brazo de la especulación de coyuntura, extenta por definición de toda previsión estabilizadora.

Queda la visectriz del fomento interno, a través de la diversificación productiva, con el acento recargado, casi siempre, en la industrialización. El camino parece inevitable pero, por necesidad, es a largo plazo y, mientras tanto, se suele caer en la inflación y otros desastres monetarios y sociales.

La generalización que antecede es extrema pero esperamos que, no obstante, no cohoneste el orden real de las cosas. Al respecto, tenemos que encarecer dos puntos: primero, la América Latina necesita apuntalar,

por así decir, su economía de intercambio, sobre todo, a través de la exportación y, segundo, la América Latina requiere una gran inversión de capital de fomento que, a su vez, abriría oportunamente la espita para toda suerte de ulteriores inversiones productivas, agrícolas e industriales.

ESTADOS UNIDOS Y SU FUNCIÓN INTERAMERICANA

Muchas causas imaginarias o inexistentes de agravio frente a los Estados Unidos baraja la América Latina. Algunas hay que son capciosas o falaces. Pero una resalta, entre cuantas pudieran aducirse como hechos ciertos, a la que es menester asignar un valor recóndito y virulento.

La América Latina sufre la calentura de su deficiente o insuficiente desarrollo económico. Este hecho posée, de suyo, capitales relieves, pero además opera como caldo de cultivo que, por vía directa o indirecta, colora el marco de condicionantes y circunstancias que llenan el ámbito latinoamericano, así en lo político y lo social como en lo cultural, en la más ámplia acepción.

Podría decirse de la América Latina lo que cabría también decir de casi todos los pacientes, a saber, que no realiza a plenitud de conciencia la índole e implicaciones de su mal—salvo, por supuesto, las excepciones institucionales e individuales que, por fortuna, van en aumento.

Pero una cosa hay que la América Latina piensa y siente de punta a punta y en la que coincide con la esencial calificación que merecen los hechos: que Estados Unidos, que la América Latina reconoce y acata como indiscutible capitán de la formación político-diplomática-militar en que se alinea, pudiera hacer más y mejor de lo que ha hecho y hace en el campo de su desarrollo económico.

Estados Unidos podía y debería ser todavía un mercado mayor para la exportación latinoamericana. Pero, además, podía y debería ser un mercado mejor, hablando desde el ángulo valorativo de la política económica. La cosa no es exclusivamente vender más, en un momento dado. La cosa está, de entrada en aumentar en términos absolutos y relativos la venta latinoamericana a Estados Unidos, pero adicionalmente se debe organizar el creciente intercambio en un sistema que opere saludablemente a todos los efectos económicos, financieros y crediticios.

Estados Unidos tiene que curarse en salud contra la sospecha que algunos mantienen y propalan en la América Latina y según la cual se aprovecha de las crisis, cuando ocurren. Por ejemplo, en el caso principal del café. Estados Unidos concurre al mercado cafetalero tan solo a título de consumidor pero ya sabemos, por otro lado, lo que el café significa en la economía de exportación e ingresos del Brasil, Colombia, El Salvador, Guatemala, Haití, Costa Rica, Nicaragua. El empecinamiento doctrinal de los Estados Unidos a no hacer nada para regular y estabilizar el mercado cafetalero, con vistas a la defensa de los precios, no puede convencer a estos países, que de sobra saben que Estados Uni-

dos es parte de otros convenios sobre artículos primarios en los que su interés no es exclusivamente de consumidor sino también, en mayor o menor escala, de productor.

El copioso casuismo de la política económica internacional durante el último tercio de siglo, ha revelado hasta la saciedad el carácter instrumental, ideológico, de muchas teorías que antaño se tenían por objetivamente válidas y exactas, como si recogieran una realidad natural. A mayor abundamiento, la alternativa entre la santidad de una teoría y el requerimiento de su desarrollo económico, no siembra ni siquiera una pizca de duda en el ánimo de ningún pueblo.

El mencionado caso del café subraya, con particular énfasis, la necesidad de una política internacional de estabilización de los mercados de exportación de artículos primarios. Esta política, por las razones que hemos apuntado, es trascendental para la América Latina, pero la acción u omisión americana es decisiva a su respecto. Es menester que Estados Unidos calibre este hecho y la consiguiente influencia como una responsabilidad que no puede soslayar.

En segundo lugar, diríamos que Estados Unidos no debe ver a la América Latina como una especie de fé de erratas sobre la cual volcar sus déficits. Estamos de acuerdo en que déficits ha de haber, en algún momento del proceso económico. Pero Estados Unidos no debe en lo sucesivo seguir el plano inclinado que consiste en rescatar de la crisis la economía de un grupo cualquiera de sus productores domésticos, echándola por vía arancelaria o cualquiera otra análoga, sobre los hombros de los productores de países latinoamericanos — y, dicho sea de paso, Canadá. No se debe olvidar que el interés de estos productores y sus respectivos países en los renglones en crisis suele ser relativamente mayor que el correspondiente a Estados Unidos. Por añadidura, Estados Unidos disfruta de posibilidades de amortiguamiento y compensación como ningún otro país. Tercero, no se pretende mantener a flote el extranjero a expensas del nacional, sino organizar entre todos y por y para todos, la liquidación del saldo deficitario. Por último, los países extranjeros de que se trata son, por definición, países amigos y aliados de Estados Unidos en una causa común de la que Estados Unidos es el abanderado y el piloto.

El ejemplo más reciente es el de los metales, plomo, cobre y zinc. El mercado americano es decisivo para la exportación de países como Chile, Perú, México, Canadá. La acción unilateral de defensa y rescate en beneficio de los productores domésticos de las Rocallosas, Utah, Nevada, etc. no puede haber sido recibida con beneplácito en los mencionados países del continente. La alternativa no consiste, ciertamente, en salvar a unos a costa de los otros, sino en organizar y desenvolver una política de cooperación hemisférica que sea para todos una norma de garantía y

de esperanza. En este sentido se hubo de manifestar responsablemente el Embajador de México en Washington, don Manuel Tello.

No huelga agregar que Estados Unidos debe cuidarse en el ejercicio de su discutida política de colocación de excedentes de no abrir una imprevista e incontrastable competencia que abruma a ciertos países latinoamericanos, como a la Argentina en el caso de los cereales.

Sabemos que Estados Unidos es un gran mercado para la exportación latinoamericana pero puede y debe serlo todavía más y mejor. No se trata solo de aumentar su volumen sino, además, de apretar y decantar su calidad política de organización e intención.

Es menester que Estados Unidos no solo compre más a la América Latina sino que lo que compre evidencie un sistema, acaso laxo pero siempre efectivo, de asociación cooperativa, a base de correlación en los niveles de precios — industriales, agrícolas y primarios — y distribución de déficits y bonanzas.

Pero la cuestión de mercados es solo la mitad del gran equilibrio futuro de la economía interamericana. La América Latina necesita, con no menor urgencia, de una vigorosa y perspicaz corriente de inversión capital de fomento. La iniciativa privada es preciosa y, en muchos sentidos, no tiene paralelo. Pero su acción es lenta y errática, desde el punto de vista del propósito que concebimos. Lo que urge es acometer sin demoras grandes inversiones capitales a largo plazo, social y técnicamente reproductivas, a mínimo costo y sin inmediatas exigencias lucrativas. Además, hacerlo en un irreprochable plano interamericano, en lo personal como en todo. No se concibe esta audaz y ambiciosa función sin un organismo correspondiente, autónomo y supra-nacional.

Ya sabemos que es fácil decir todo esto pero difícil hacerlo. Difícil pero no imposible. Como idea no es nueva y como experimento tiene antecedentes en otras situaciones y en otras magnitudes. Lo que no deja lugar a dudas es que si no se hace ésto, o cosa muy próxima o parecida, el desarrollo económico de la América Latina adolecerá de una sustancial falla.

En este sentido, más quizás que en cualquiera otro, Estados Unidos puede y debe llevar la voz cantante. Sus recursos financieros y crediticios, sus posibilidades productivas, su eficiencia técnica y personal, lo señalan insustituiblemente.

Una vez más decimos que no hacemos tabla rasa de las numerosas e inmensas complicaciones, de todas clases, que han de salir al paso. Pero todas quedan como empequeñecidas a la sombra ominosa y creciente de la inhibición o inercia interamericana, o sus sinónimos, la demora y la pequeñez.

En 1956, la balanza de comercio de la América Latina con los Estados Unidos arrojó un déficit de \$200,000,000 (doscientos millones de dólares)

en 1957 de \$900,000,000 (novecientos millones de dólares). Y en cuanto a la balanza de pagos, la América Latina usó sus reservas de oro y divisas para compensar los déficits generales, en 1956 hasta \$400,000,000 (cuatrocientos millones de dólares) y en 1957 hasta \$165,000,000 (ciento sesenta y cinco millones de dólares).

El sentido técnico-económico de estas cifras se puede interpretar legítimamente, quizá, de más de un modo, pero desde el ángulo fundamental y perdurable de la cooperación interamericana, no pueden sino merecer una calificación crítica. No se debe descartar ningún empeño, por utópico o remoto que parezca, para superar la crisis subyacente. El interés latinoamericano a este propósito es palmario. Pero bien visto no menor debe ser, de presente y a mediano y largo plazo, el de los Estados Unidos, la gran potencia mundial del continente.

LATIN AMERICA AND THE PALESTINE PARTITION RESOLUTION

Edward B. Click

On November 29, 1947 the United Nations General Assembly, by a vote of 33 in favor, 13 opposed, and 10 abstentions, adopted its fateful resolution recommending the division of Palestine between the Jews and Arabs.¹ In that vote and the debates preceding and following it, the major substantive contributions were made by Latin America.² When the partition resolution threatened to flounder on the rocks of United States-Soviet disagreement, Pedro Zuloaga of Venezuela suggested the formation of a subcommittee to resolve these differences. The group did so under the chairmanship of Jorge García Granados of Guatemala. During the entire second Assembly, he and Prof. Enrique Rodríguez Fabregat of Uruguay made the most stirring appeals for Jewish statehood.³ As president of the Assembly, Brazil's Oswaldo Aranha ruled that the partition recommendation had to be voted on first, before any proposals for delay.

As for the Palestine resolution itself, "it was the thirteen affirmative Latin American votes that made partition possible."⁴ Latin American sup-

¹United Nations, General Assembly, *Official Records, Second Session, Plenary*, II, 1424-1425. Cited hereafter as UN, G.A.O.R., etc. The Latin American subtotal was 13 in favor, 1 opposed (Cuba), and 6 abstentions (Argentina, Chile, Colombia, El Salvador, Honduras, and Mexico).

²See the writer's book, *Latin America and the Palestine Problem* (New York: Theodor Herzl Foundation, 1958), *passim*. Portions of this article are taken from the book and are reprinted here with the kind permission of the publisher.

³An article in *Américas*, the organ of the Pan American Union, says of their efforts: "At Lake Success, Dr. García Granados, constantly aided by Señor Rodríguez Fabregat, led the struggle for a clearly defined partition plan . . . as zealously as though it were for the freedom of his own people." Mary G. Reynolds, "Latin Americans in Israel" *Américas*, II (November, 1950), 5. Italics added.

⁴John A. Houston, "The Role of the Latin American States in the Establishment and Practise of the United Nations," Ph. D. dissertation, Department of Political Science, University of Michigan, 1951, p. 370.

port clinched the required two-thirds majority in the General Assembly. Further, a group of states which at the time occupied one-third of the Assembly's seats cast approximately 40 percent of the ballots in favor of partition. That is why the official Spanish-language journal of the Jewish Agency for Palestine editorialized in 1949 that the Latin American republics "played a singular role in the political battle that preceded the establishment of Israel. Without their votes that battle could not have been won."⁵

But no examination of Latin America's influence on the passage of the Palestine partition resolution can be complete without considering three important questions. First, did the Zionists, the Arabs, or the United States seek to pressure Latin America to vote for or against partition? Second, are there reasons other than those given officially for the positions ultimately taken by individual Latin American delegations? And third, why, generally speaking, did the majority of Latin American countries accept and vigorously support the concept of a Jewish state in Palestine? To attempt to answer these questions is the task of this paper.

To determine whether and the extent to which pressure was applied is difficult for at least two reasons. "Pressure" is a relative term: what may appear to one delegation as undisguised coercion, may look to another like merely an energetic presentation of views. Moreover, the researcher is handicapped by the fact that the only individuals who might know the whole truth, namely, the diplomats involved, are usually loath to discuss the matter.

All Latin American diplomats queried by the author of course denied that any pressure was brought to bear or that their country would or could be susceptible to it. But Arab spokesmen have insisted a number of times that the Zionist Organization, the United States, or both, applied pressure upon several small countries, particularly Haiti.⁶ In 1947 an Arab newspaper publicly charged and an Arab delegate privately complained to Thomas J. Hamilton, chief of the United Nations Bureau of the *New York Times*, that the Haitian delegation had belatedly switched its vote in favor of partition for \$10,000.⁷ This accusation was bitterly denied by Joseph D. Charles, Haiti's ambassador to the United States and her senior delegate at the United Nations.⁸ On February 6, 1948

⁵"Nuestra presentación," *Israel y América Latina*, I (August, 1949), 3.

⁶On the other hand, García Granados, admittedly pro-Zionist, claims the Arabs tried to pressure Guatemala and Costa Rica into adopting anti-partition stands. Jorge García Granados, *The Birth of Israel: The Drama as I Saw It*. (New York: Alfred A. Knopf, 1948), pp. 263-264.

⁷According to the *New York Times*, December 2, 1947, p. 14; and Thomas J. Hamilton, "Partition of Palestine," *Foreign Policy Records*, XXIII (February 15, 1948), 291.

⁸In a letter to the *New York Times*, December 11, 1947, p. 32.

the Arab Higher Committee, in a communication to the Secretary-General, repeated that Haiti, as well as Thailand, Cuba, and Colombia, were subjected to heavy United States pressure during the second Assembly.⁹ Again the Haitian delegation repudiated the charge.¹⁰ Other countries, e.g., the Philippines and Liberia, also switched their votes at a late date. But why Arab delegates and writers have directed most of their attention and resentment towards Haiti is a mystery.

The one Latin American delegate willing to express himself (privately) insisted to the writer that the United States "did not use very much pressure, if any at all. There was only," he said, "a presentation of United States views. Even this was not very strong." Since this delegate was present at the second session and knows the corridor tactics used, and since his country did *not* support partition, his statement merits attention.

The closest thing to an official United States declaration on the subject of pressure is the following statement made at a United Jewish Appeal meeting some weeks after the partition vote by General John Hilldring, a member of the United States delegation to the second Assembly:

The United States Government took the position that every member of the United Nations, large or small, interested or disinterested, was entitled to its own independent judgment on the merits of the problem. To this policy the U.S. Delegation subscribed wholeheartedly Certainly, we tried as best we could to persuade other countries of the logic and justice of our position. I am glad that we succeeded. But we succeeded not because of threats, intimidations, or pressure indulged in by any member of the U.S. Delegation or by any official of your government. I am sure that the cause of the new Jewish State is immeasurably more secure and that the hearts and minds of all Americans . . . will be comforted and reassured by the knowledge that its officials did not resort to sordid tactics in the Palestine dealings.¹¹

In this same vein, Thomas J. Hamilton has written:

It is a matter of record that there was no United States pressure until the final week before the vote on partition It is an undisputed fact that the United States exerted its influence to the utmost to obtain acceptance of its proposals for the establishment of a Balkan Commission and the "Little

⁹UN Document A/AC. 21/10. See also the *New York Times*, February 7, 1948, pp. 1, 8.

¹⁰UN Document A/AC. 21/11. See also the *New York Times*, February 19, 1948, p. 12.

¹¹Quoted in Hamilton, "Partition, "Partition of Palestine," *loc. cit.*, p. 291.

Assembly." No such comparable influence was exerted in behalf of the partition plan.¹²

Even if pressure was employed by the United States, there is no proof that it was effective. Cuba, whose economic fate is closely tied to the United States, voted against the resolution. Small Central American countries, like Honduras and El Salvador, abstained. Greece, which in November, 1947, was particularly susceptible to American influence because of the application of the Truman Doctrine, abstained in committee and on November 29 voted against partition in the plenary.

Very often, the stated reasons for a government's position on a particular issue differ from the real ones, or if not entirely different, they do not always tell all that can be told about the decision and how it was taken. Moreover, a government's attitude and vote in an individual matter cannot be considered apart from the question of how much discretion a particular delegation or delegate was given in deciding the official policy of the nation. Usually the ambassador is the instrument rather than the initiator of policy. But there are indications that several Latin American delegations have considerable discretion in initiating their government's policy in a given United Nations case.

Jorge García Granados was given almost complete control to mold Guatemala's attitudes toward Palestine and was permitted to decide when his country should extend diplomatic recognition to Israel.¹³ The Peruvian and Colombian delegations were accorded similar freedom on the partition vote. Some time ago, Tiburcio Carías, former senior Honduran United Nations delegate, disclosed that he possessed much leeway in charting his country's course at the world organization in matters not of direct concern to Honduras.¹⁵ Similarly, a representative of a South American country has confided that most Latin American delegates enjoy a great degree of independence. He believes this stems partly from the confidence that governments have in their delegates and partly from a lack of money, organization, and knowledge in the smaller foreign ministries.¹⁶

If these views are correct, then it must be assumed that the Palestine attitudes of individual Latin American countries reflected the attitudes of their chief delegates. With this in mind, it would be useful to try to

¹²*Ibid.*

¹³García Granados, *The Birth of Israel*, pp. 283-284, 288-289.

¹⁴UN, G.A.O.R. Second Sess., Plenary, I, 79; and *La Prensa* (Buenos Aires), November 30, 1947, p. 5.

¹⁵Carías told this to Miss Anne Winslow, editor-in-chief of *International Conciliation*, at a meeting of the Latin American United Nations caucus. Miss Winslow relayed this information to the author in an interview on May 20, 1954.

¹⁶Again, as in the case of information imparted by other diplomats, the author is pledged not to disclose the source of this information.

fill in some of the gaps in the story of why a number of Central and South American states voted as they did on the partition resolution.

The reasons for the pro-partition votes of such countries as Paraguay, Venezuela, and Guatemala can fairly well be explained in terms of the attitudes of the men who represented them at the second Assembly. César R. Acosta, the second-ranking Paraguayan delegate there, attended the Zionist-sponsored 1945 International Christian Conference for Palestine, as did Pedro Zuloaga, an important member of the Venezuelan delegation.¹⁷ This is the same Zuloaga who on December 2, 1947 sent personal greetings to a Zionist rally¹⁸ and whom the *New York Times* in November, 1948 described as an "Israeli supporter."¹⁹

The personal influence of García Granados on the decisions of Guatemala is clear. However, there is another possible explanation for her tenacious support of Palestine partition and the end of British rule. For years there has existed between Guatemala and England a long-festering and at times bitter dispute over Belice, or British Honduras. This controversy appeared during the second session, at about the same time as the Palestine discussions, when Guatemala's Carlos García Bauer denounced Great Britain for refusing to take the Belice question to the International Court of Justice.²⁰

With respect to Ecuador's vote in favor of partition, it is known that her then president, José María Velasco Ibarra, was very kindly disposed to Jews and to Zionist aspirations and, that a few years prior to 1947, he wrote a work on international law "in which he dealt exhaustively with Zionism and reproached England for not keeping her promises [to the Jews]."²¹

What information can be added to that already known about the negative vote of Cuba and the abstentions of Mexico, Colombia, Argentina, El Salvador, Honduras, and Chile? Although the present alternate representative of Cuba to the United Nations, Carlos Blanco (who was secretary-general of the delegation at the second session) has said that Cuba voted against partition only because she thought the plan would create more problems than it would solve,²² a far more probable reason is that the senior representative of Cuba in 1947, Guillermo Belt, was

¹⁷International Christian Conference for Palestine, Washington, D. C., November 1, 2, 1945 (n.p., n.d.). See also Edward B. Glick, "Zionist and Israeli Efforts to Influence Latin America: A Case Study in Diplomatic Persuasion," *The Western Political Quarterly*, IX (June, 1956), 331-333.

¹⁸*New York Times*, December 3, 1947, p. 5.

¹⁹*Ibid.*, November 25, 1948, p. 8.

²⁰UN, G.A.O.R., Second Sess., Plenary, II, 1028-1029.

²¹According to Benno Weiser, "Ecuador: Eight Years on Ararat," *Commentary*, III (June, 1947), 535.

²²In a personal interview with the author, May 24, 1954.

particularly antagonistic to the Zionist cause.²³ If this fact is coupled with the earlier discussion about national actions and individual discretion on the part of Latin American diplomats, it may represent a more complete explanation of why Cuba, unique among Latin American delegations, voted against the partition of the Holy Land. Another possible reason for Cuba's action is that at least a segment of that nation's press opposed the creation of the Jewish state. On November 30, 1947 the *Diario de la Marina*, Cuba's oldest newspaper, wrote:

The arguments [against partition] which the Cuban Delegation wielded in New York seem to us to be supported by absolute logic. If the Balfour Declaration, which created the so-called Jewish Home in Palestine, is taken as the basis [for the Palestine partition recommendation], it is evident that a legal question is being dealt with on the basis of a declaration which never acquired . . . legality²⁴

In its report for 1947-1948, the Mexican Foreign Ministry indicated that its delegation, "following precise instructions from our Government," had abstained on the Palestine partition resolution in order to avoid "violence and the shedding of blood in that region of the world."²⁵ In the same year the Colombian Foreign Ministry said its delegation had abstained because the Arabs opposed the partition plan, the plan had a "character of immaturity and rash haste" about it, and neither the idea of partition nor of a federal state "received the unanimous consensus of the [Colombian] Delegates."²⁶ Apparently, however, these are only partial explanations.

Both Mexico and Colombia have relatively large Arab-descended populations, and both countries indicated that this fact carried considerable weight in their final attitudes toward the Palestine resolution. During the final days of debate on partition, Rafael de la Colina of Mexico "alluded to the cordial relations that his country maintains with the Arab world and to the living together with Mexicans of a large number of Syrians and Lebanese."²⁷ On December 17, 1948 the Colombian representative told the Security Council that

Colombia has ties of affection and blood with the Arab peoples. Arab subjects established in our territory have attri-

²³According to a reliable source very close to the government of Israel, who for obvious reasons, desires anonymity.

²⁴*Diario de la Marina* (Havana), November 30, 1947, pp. 33-34.

²⁵Mexico, Secretaría de Relaciones Exteriores, *Memoria . . . de septiembre de 1947 - agosto de 1948* (Mexico: Talleres Gráficos de la Nación, 1948), p. 38.

²⁶Colombia, Ministerio de Relaciones Exteriores, *Memoria de Relaciones Exteriores presentada al Congreso Nacional* (Bogota: Imprenta Nacional, 1948), pp. 8-9.

²⁷"La Asamblea General: el problema de Palestina," *Hispano Americano*, XII (December 5, 1947), 20.

buted [sic] effectively to the progress of our agriculture and to the development of our industries, and persons of Arab origin have even been included in our Government and have held and hold the highest posts in it²⁸

Perhaps the representative was thinking of so famous and powerful a Colombian of Arab descent as Gabriel Turbay, who, before his death in November, 1947, had been a diplomat, foreign minister, vice-president, and presidential candidate on the ticket of the Liberal Party, whose leader he was for many years.²⁹ It is meaningful that a member of his family, Julio César Turbay, was one of the five representatives on the Colombian delegation to the partition session. With further reference to the possible influence of the personal element in Colombia's decision to abstain, there is the claim by David Horowitz, a member of the Jewish Agency's representation to the second session, that another Colombian delegate, Alberto González Fernández, "showed open hostility towards us during the [partition] discussions."³⁰

An individual, as close to the Israel government today as he was to the Jewish Agency during the period under discussion, and who speaks from personal and authoritative knowledge, has disclosed still another reason for the abstentions of Colombia and Mexico.³¹ Each country and each delegation, he said recently, operates within its own framework of historical memory and historical traditions. These memories and traditions (what R. G. Collingwood in his *The Idea of History* has termed a nation's "incapsulated past") will very often mold a person's thinking in such a way as to affect his reactions to a particular political solution.

This is exactly what happened in the case of the Mexican and Colombian reactions to the Palestine partition resolution. Citizens of the United States think of the 1848 transfer of California and New Mexico to the United States as a "cession," just as they usually consider the 1903 separation of Panama from Colombia under the aegis of Washington as due primarily to a "revolution." But, as this diplomat very cogently suggested, most Mexicans and Colombians look upon each of these actions as "*particiones*" of their respective fatherlands. As a result, the very *idea* of partition as a justifiable political device was anathema to the Colombian and Mexican delegations. The Jewish Agency, faced with such a powerful politico-psychological obstacle, was simply unable to convince them of the wisdom of partition. Under the circumstances, the

²⁸United Nations, *Security Council, Official Records. Third Year*, No. 130, p. 25. Cited hereafter as UN, S.C.O.R., etc.

²⁹*La Prensa* (Buenos Aires), November 8, 1947, p. 8.

³⁰David Horowitz, *State in the Making*, translated from the Hebrew by Julian Meltzer (New York: Alfred A. Knopf, 1953), p. 261.

³¹The author is not at liberty to disclose his identity.

Agency was probably more than satisfied that they abstained, rather than casting negative votes.

The abstentions of Argentina, El Salvador, Honduras, and Chile can also to a great extent be attributed to the influence of their Arab communities. Not only has Argentina the largest number of Jewish inhabitants in Latin America, but she also has an Arab colony, especially of Lebanese and Syrians, about as numerous and as influential as the Jewish one. (One source gives the size of this Arab-Argentine community as approximately 500,000.³²) On December 17, 1948 the Argentine representative to the Security Council noted that Arab "nationals reside in my country, adapting themselves to our customs . . . and contributing to the progress of the country . . ." ³³ More recently, in a May 21, 1954 interview with the author, Juan Campos Catelin of the Argentine United Nations delegation asserted that it was in order not to alienate either the Jews or the Arabs in Argentina that his country had abstained on the partition resolution.³⁴

El Salvador likewise has an influential group of Arabs, and this helps to explain her abstention. As for Honduras, Miss Jeanne Smith, former secretary of the Honduran delegation and private secretary to Ambassador Tiburcio Carías, admitted that the existence of an Arab community in Honduras had a "definite influence" on the delegation's decision to abstain in the 1947 vote on the partition resolution.³⁵ It is perhaps significant in this connection that one of the earliest examples of pro-Arab literature in Spanish was published more than twenty years ago in Tegucigalpa, the Honduran capital.³⁶

The Chilean abstention on the Palestine vote was most unexpected and spectacular because it came during the tenure of office of a supposedly strongly pro-Zionist president, Gabriel González Videla. Why did Chile choose this alternative? Two United Nations diplomats who know Latin America well have asserted that Chile did so because young Chileans of Arab blood are very active in all political parties in the

³²Oculus, "Erev Ne'ilah? [On the Eve of the Conclusion?]," *Yiddisher Kemfer*, XXVIII (November 28, 1947), 2.

³³UN, *S.C.O.R.*, Third Year, No. 130, p. 14.

³⁴Oculus, who has a Zionist orientation, gives this explanation: "The Arab community in Argentina energetically aided Perón to reach his presidential office and to concentrate in his hands the political power of the Republic. It is hardly a secret that the vast majority of Argentine Jews did not back Perón and his ambitions. The present President of Argentina owes the Jews nothing, whereas he is much beholden to the Arabs." "Erev Ne'ilah?," *loc. cit.*, p. 2.

³⁵In a conversation with the author, May 19, 1954.

³⁶See Shihade B. Azziz, *Abecedario de la causa árabe en Palestina, una exposición de la causa árabe en forma concisa y leible, que se espera, será un paso hacia un interés más profundo y más amplio a favor de ella*, translated by Antonia S. Marcus (Tegucigalpa: Imprenta Alef-Ba-Ta, 1937).

country and because the heads of the two richest families in all Chile, the Yarurs and the Saids, were born in Palestine.³⁷ One of the diplomats revealed on the highest authority that a member of the Yarur family actually sat with the Iraqi delegation to the second General Assembly throughout the Palestine debates.³⁸

The third and final task of this study is to try to make valid generalizations explaining why Latin America as a whole supported the partition of Palestine and resultant Jewish statehood. Some or all of the explanations that follow appear to be valid for the majority of Central and South American states.

First, there is little doubt that "the heroism displayed by the Zionists in the colonization of Palestine and the work accomplished there . . . [was] a major factor in world support of Zionism."³⁹ It certainly made a powerful impact on such Latin American personalities as García Granados of Guatemala and Rodríguez Fabregat of Uruguay. Speaking of the thirteen Latin American states who supported partition, David Horowitz of the Jewish Agency has expressed the opinion that the "first and foremost [element in that support] was the sympathy of these young states for our pioneering efforts. . . ."⁴⁰

A second possible explanation is that most of these nations were impressed by Jewish resistance to Great Britain and to the Arab states.⁴¹ They may have seen in the unequal Anglo-Jewish and Jewish-Arab struggles a kind of David vs. Goliath affair. Perhaps "the Jewish people, which took up such an apparently hopeless fight against the British Empire and seven Arab states, seemed [to the Hispanic-speaking countries] beguilingly similar to poor Don Quixote, storming his windmills with a lance on his broken-down nag."⁴² Since the Latin Americans have a tradition of backing the underdog and are relatively young nation-

³⁷For short bibliographical sketches of these families, see Empresa Periodística, Chile (eds.), *Diccionario biográfico de Chile* (4th ed.; Santiago: Talleres Gráficos "La Nación" S.A., 1942), pp. 853, 1063-1064. There is a Plaza Yarur in Santiago, and according to an acquaintance of the family, Sergio de la Cruz, former graduate student from Chile in the Department of Economics of the University of Florida, the Yarurs are generally considered to be the "Rockefellers of Chile." Personal interview with the author, July 7, 1954.

³⁸This informant, whose veracity is beyond question, has requested that he not be identified.

³⁹"Resigning the Mandate," *The Round Table*, No. 149 (December, 1947), p. 452.

⁴⁰Horowitz, *State in the Making*, p. 258.

⁴¹This is the view of Ya'akov Beller, "Tsionism in die Latein Amerikaner Lender [Zionism in the Latin American Countries]," *Dos Yiddishe Folk*, XXXII (September, 1950), 7.

⁴²Benno Weiser, "The Pro-Zionism of Latin America," *Jewish Frontier*, XV (October, 1948), 17.

alities with their own experiences with foreign domination and exploitation, they were able to view Zionist aspirations with a great deal of sympathy and understanding.

Self-interest and a belief in the self-determination of peoples are perhaps the main reasons for Latin American support of a re-established Jewish commonwealth. Latin America was genuinely shocked at the fate of European Jewry after World War II and appreciated the intrinsic connection between the problems of Palestine and the Jewish war refugees. But it never forgot that if there would have been no Jewish state, then conceivably each country in the United Nations might have been asked to absorb a number of the refugees into its own territory.

Considerable insight into this subject is furnished by Prof. Carolina de Campbell, director of the *Instituto Panameño de la Opinión Pública*, who in 1950 published the results of a poll she had conducted in Panama on "el problema de Palestina."⁴³ She interviewed more than 500 individuals "of both sexes, of different ages, incomes occupations, and educational levels—the rich and the poor, the educated and the non educated, farmers, mechanics, physicians, lawyers, teachers, students, politicians, and housewives."⁴⁴ Her conclusions on the refugee aspect of the Palestine problem are that

only a fourth of the Panamanians interviewed would open the doors of the world to them [i.e., the Jewish displaced persons]....

The Panamanian attitude was expressed clearly by a vote in favor of an almost complete exclusion of the Jew from Panama Panamanians showed interest in the problem of settling the displaced Jews *provided that they not be settled in the territory of Panama.*⁴⁵

No doubt the average Latin American viewed this question in much the same light as the average Panamanian.

A most revealing vote relating to the refugee question was taken on November 24, 1947, when the Palestine Committee of the second Assembly voted down, by a vote of 15-18-22, a suggestion that the United Nations recommend refugee quotas to each of the member states. Only two Latin American states (Haiti and Colombia) voted in favor of this recommendation.⁴⁶ In the summer of 1947 Msgr. Paolo Bertoli of the Vatican secretariat of state was sent to interview foreign ministers and bishops in Brazil, Paraguay, Argentina, Uruguay, Peru, Chile,

⁴³Carolina de Campbell, "El problema de Palestine," *Boletín del Instituto Panameño de la Opinión Pública*. No. 7 (July, 1950) pp. 1-12.

⁴⁴*Ibid.*, p. 1.

⁴⁵*Ibid.*, p. 2. Italics added.

⁴⁶UN, G.A.O.R., *Second Sess., Palestine Com.*, p. 204.

Venezuela, and Colombia to ascertain the willingness of these sparsely settled countries to absorb a substantial number of European displaced persons. Upon his return, he reported that the number of refugees to whom these countries would open their doors was "virtually insignificant."⁴⁷

During the partition debates, the principle of the self-determination of subject peoples was referred to not only by the Latin American supporters of the partition resolution, but by the single Latin American opponent and the abstainers as well. Peru said she supported Jewish statehood because "the recognition of human rights should mean the transformation of homogeneous national groups into autonomous states⁴⁸ El Salvador, which abstained on partition, said she had "studied the Palestine problem in the light of the principle of self-determination and regretted to have to conclude that no attempt had been made to apply that principle"⁴⁹ And Cuba informed the Assembly that she opposed the partition resolution because a resolution which lacked the approval of all of Palestine's inhabitants was "against the right of self-determination of peoples."⁵⁰

What explains the fact that the supporters, the abstainers, and the opponent of the Palestine partition recommendation could each base their positions on the *same* principle and could each believe that they were justified in doing so? The most logical explanation seems to be the following: the thirteen Latin American states who voted for partition considered that Palestine was inhabited by two distinct nationalities—there were "Jews" and "Arabs" but no "Palestinians"—and that the creation of separate Jewish and Arab states would thus allow each of these groups to rule themselves in accordance with the self-determination principle. On the other hand, the six Latin American abstainers and the one Latin American opponent considered that Palestine was a single nation and a single state, and that partition constituted not an application of self-determination, but rather indirect aggression by the Jews. This is especially true in the case of Cuba which maintained that "the Jews ... are, in our opinion, foreigners in the territory of Palestine," and that the partition proposal strengthens the concept that "any racial or other minority may ask to secede from the political community of which it forms a part."⁵¹

Since Latin America was itself not vitally concerned with the outcome of the Palestine debates, it was able to approach the problem with a

⁴⁷Quoted in "South America Also Closes its Doors," *The Christian Century*, LXIV (December 24, 1947), 1573.

⁴⁸UN, G.A.O.R., *Second Sess., Palestine Com.*, p. 77.

⁴⁹*Ibid.*, p. 167.

⁵⁰Quoted in *Diario de la Marina* (Havana), November 29, 1947, p. 1.

⁵¹UN, G.A.O.R., *Second Sess., Plenary*, II, 1384-1385.

certain amount of detachment and in the light of whatever principles it chose to hold dear. Prof. de Campbell's canvass of Panamanian public opinion is particularly instructive on this point. She concludes that "in general, the prevalent attitude was a lack of interest in the matter, with the idea that none of it has anything to do with Panama."⁵² She adds, significantly, however, that "half of the interviewees believed that Palestine should be divided between Jews and Arabs" and that the general attitude of this half was expressed in the phrase: "The Jews have a right to their own country, like other people."⁵³

From this poll it can reasonably be assumed that Panama backed partition basically for three reasons: (1) such a position did not conflict with Panama's vital interests, (2) at least half of her people favored this position, and (3) there seems to have been no great popular demand within the country that Panama *not* support partition. Nothing suggests that these same reasons do not also explain why most of the other Latin American nations supported the creation of a Jewish state in Palestine.

⁵²de Campbell, "El problema de Palestina," p. 1.

⁵³*Ibid.*, p. 2.

UNE HISTOIRE SERIELLE DE L' AMERIQUE ESPAGNOLE*

A propos du *Séville et l'Atlantique*¹
d'Huguette et Pierre Chaunu

Frédéric Mauro

Voici dix ans que travaillent Pierre et Huguette Chaunu. Huit volumes de leur œuvre gigantesque ont paru. Les deux derniers sont sous presse. Ils en forment comme la conclusion. Avant qu'elle ne soit livrée au public, acceptons d'en faire une, provisoire, quitte à la corriger bientôt.

Une remarque sur les auteurs, que nous connaissons bien, ce jeune "*matrimonio francés*" comme l'on disait à Séville; qui les a vus à l'œuvre sait la puissance de travail, le sens de l'organisation qui les animent, l'un et l'autre. Tous deux de formation historique, ils se sont abreuvés, comme nous, au lendemain de la guerre, aux sources fécondes des *Annales*. Ils ont été les éléments jeunes dans cette révolution de la conception et des méthodes historiques qui a caractérisé l'Ecole française depuis trente ans. Disons-le, au risque de paraître partial dans notre compte-rendu, nous avons nous aussi applaudi à ce mouvement, nous l'avons suivi, nous y avons participé.

Une œuvre aussi révolutionnaire doit prévoir les réactions, les contre attaques. Aussi ne cesse-t-elle tout au long d'elle-même de se défendre, de se justifier. Point n'est besoin, avant d'aborder son analyse, de rechercher l'état de la question avant elle, de décrire l'atmosphère de sa naissance. Elle y pourvoit elle-même. Il faut donc la suivre à la trace,

*Editorial Note

This is the first of a number of bibliographical essays that have been requested on the best works on Latin America produced in various languages during recent years. The author, a professor at the University of Toulouse, presents this study of an outstanding work in French.

¹Paris S.E.V.P.E.N. 1955-57. 8 vols. parus. Ecole pratique des Hautes Etudes VI Section. Centre de Recherches Historiques. Coll. Ports Routes-Traffic n° VI.

d'abord dans son introduction méthodologique (un volume), ensuite dans ses tableaux (quatre volumes), dans ses tables statistiques, résumé des tableaux (deux volumes), enfin dans son provisoirement dernier volume, celui des graphiques et des cartes, celui réalisé avec Jacques Bertin et Guy Arbellot et d'où doit sortir la matière des conclusions. Nous y trouverons souvent la réponse à la question que nous nous posions.

Une préface sympathique et paternelle de Lucien Febvre, les remerciements des auteurs à ceux qui ont aidé matériellement et moralement leur entreprise, et nous sommes dans le sujet, dans l'introduction de cette "Introduction Méthodologique". "Les raisons d'un choix". Choix d'une histoire économique, dynamique et quantitative d'abord. Nous retrouvons ici ce que nous avons maintes fois répété sur la nature de la science historique : être une réponse à nos préoccupations présentes, une comparaison, une opposition avec le présent pour mieux comprendre celui-ci. Il faut traduire dans notre langage ce que fut notre passé. Or notre langage est mathématique et nos concepts des rubriques statistiques. Il faut donc retrouver dans le passé de quoi y reconstruire ces rubriques pour comparer les structures d'autrefois et celles d'aujourd'hui. C'est ce qu'ont bien compris les historiens qui, dès l'entre deux guerres ont abordé l'étude des économies passées. Mais le Comité International d'Histoire des Prix, comme son nom l'indique ne s'est consacré qu'à un aspect de cette histoire quantitative, le plus facile parce que celui où les sources sont les plus riches. Les chiffres de production sont beaucoup plus rares et, contrairement à ce que disent certains marxistes, ce n'est pas par mauvaise volonté qu'on les a négligés. D'ailleurs une publication considérable, celle de Nina Ellinger Bang sur la douane du Sund a déjà vu le jour. Mais dans ce cas comme chez les Chaunu, les chiffres de production n'ont pu être atteints directement. Les sont-ils toujours par les économistes qui étudient le monde d'aujourd'hui ? Ce sont les chiffres de trafic que l'on trouve plutôt et qui reflètent ceux de la production. Ils permettent du moins de rebâtir la structure du commerce et, au delà, celle de toute l'économie. Ils permettent d'en retracer les fluctuations à court et à long terme, donnant des fluctuations une image plus nette et plus honnête que celle donnée par les prix.

Mais pourquoi avoir choisi l'Atlantique Espagnol ? La réponse est aisée. Les sources sont belles, supérieures sans doute à tout ce qu'on pourra retrouver en Europe. D'ailleurs il s'agit d'un trafic "dominant" représentant peut-être pour le XVI^{ème} siècle 80% du trafic Europe-Amérique et au moins 50% pour le XVII^{ème}. Sans doute les 45,000 tonneaux allant d'Espagne en Amérique Espagnole en cette année record de 1608. . . semblent dérisoires si on les compare aux 400 millions de tonnes qui de nos jours sillonnent l'Atlantique. Mais pour le XVII^{ème}

s., le chiffre de 45,000 tonnes était énorme. Trafic monstrueux même surtout si on pense aux distances parcourues : 8,000 km. de l'Espagne à la Nouvelle Espagne, 10 à 15,000 de l'Afrique Nègrière aux Indes de Castille. Même le trafic portugais de l'Extrême Orient apparaît vite bien faible à côté de l'autre. Ecart paradoxal alors que les deux grandes masses démographiques à l'époque sont plutôt l'Europe et l'Asie. L'Amérique est presque vide. Mais Europe et Asie sont séparées par des steppes et des déserts plus vides encore.

Sujet vierge ? Oui malgré les beaux travaux de Gervasio de Artiñano, de Clarence H. Haring et d'Earl Jefferson Hamilton. Les deux premiers en particulier se sont appuyés sur le *Cédulario Indiano* de Diego de Encinas, la "très justement célèbre" *Norte de la Contratación* de José de Viedma Linaje, enfin la *Recopilación de Leyes de las Indias*, plus célèbre encore et moins justement d'ailleurs. Mais ils ne sont — pas allés jusqu'aux registres. Ceux-ci permettent au ménage Chaunu d'ajouter à l'histoire institutionnelle et juridique d'Artiñano et de Haring une plus concrète, plus précise, plus dynamique, celle qui a vraiment pesé sur l'Europe, celle dont Earl Hamilton lui-même avait annoncé l'importance par ses calculs d'or et d'argent.

Le *Libro de Registros* est en effet la source fondamentale, connue avant les Chaunu mais non vraiment reconnue: cinq *legajos* du Fonds *Contratación* des Archives des Indes, de 1504 à 1783 soit neuf grands livres reliés pleine peau "dont l'écriture varie de groupes d'années en d'années." "Le temps a ménagé ces livres, ajoutent nos auteurs; leur état de conservation est satisfaisant . . . Mais les feuillets usagés, les feuilles de garde souillées, griffonnées dénotent une manipulation fréquente."

QUE CONTIENNENT-ILS?

"Inventaire année par année des registres des navires allant aux Indes et en venant, le *Livre de Registros* est, à l'origine, conçu comme tel et dans sa plus simple expression: une liste des registres qui, chaque année, était déposée à la *Contaduría*. A la première page du premier livre on lit donc l'année ("Año 1504"), puis *ida* (aller), puis la liste des registres: "un registro de la nao San Gregorio, maestro Alonso Sarmiento . . .", et à la ligne suivante: "otro registro de la nao Santiago, maestro Alonso de Coto. . .". Et ainsi de suite. Il en est de même du retour, de même de l'année suivante, à l'aller puis au retour; de même de toutes les années." Quelques annotations d'ordre technique complètent le document, en haut des pages, à la fin d'une liste ou en marge, ajoutent les auteurs. Mais l'indication des directions et provenances n'apparaît qu'à partir de 1544 et n'est constante que de 1548 à la fin. Passons sur quelques détails de présentation. Le *Livre de Registros* est-il complet, se demandent Pierre et Huguette Chaunu? Il n'y a aucune raison de le nier, répon-

dent-ils. Non pas que la *Casa de la Contratación* ait été honnête et scrupuleuse. Mais elle était efficace et "dans ses mille et une façons de tromper le Roi elle n'avait aucun intérêt à le tromper sur le navire," navire d'ailleurs plus difficile à escamoter "qu'un doublon dans le pli d'un vêtement. La critique interne comme la critique externe, celle d'après les autres sources, prouvent l'une et l'autre que la confiance des chercheurs est sur ce point méritée.

Passons sur la présentation des registres (registres d'aller, registres de retour) et sur leur mécanisme: le rôle du registre comme instrument de contrôle, les formalités du registre concernant le navire, au départ de Séville et au départ des Indes, les formalités concernant les marchandises, avec leurs difficultés, à l'aller comme au retour: tout cela est bien expliqué dans un long chapitre de vingt cinq pages. Passons aussi sur celui consacré aux fraudes et à la lutte contre les fraudes: les détails nous en sont donnés en trente six pages très pleines. Venons-en aux vingt deux pages consacrées au problème du tonnage et à la définition de la *tonelada*. Pierre Chaunu est revenu sur le problème dans sa communication au premier colloque de Paris sur *L'Histoire du Navire et de l'Economie Maritime*.¹ Quel est-il?

Nous distinguons aujourd'hui plusieurs définitions du tonnage.

- a) Le *tonneau poids* ou *tonneau métrique* ou *tonneau de déplacement*, qui se confond avec la tonne du système métrique (1000 kilogrammes): on désigne ainsi la quantité d'eau déplacée par le navire plein (déplacement en lourd) ou vide (déplacement léger);
- b) le *tonneau d'encombrement*, de *cubage*, de *capacité* ou *tonneau de mer*: c'est l'encombrement de quatre barriques bordelaises (1,44 m³). C'est une unité de volume appliquée à la seule partie du navire utilisable pour le fret.
- c) le *tonneau d'affrètement* désigne, suivant les cas un volume ou un poids. Il vaut 1,44 m³, comme le tonneau d'encombrement "mais à la condition que 1,44 m³ de la marchandise transportée pèse moins de 1000 kilogrammes, par conséquent lorsqu'il s'agit d'une marchandise encombrante et légère." Au dessus de ce poids le tonneau d'affrètement devient une mesure de poids du fret et se confond avec la tonne métrique.
- d) le *tonneau de jauge internationale*, mesure de volume anglaise représentant 100 pieds cubes anglais soit 2,83m³. On mesure ainsi le volume du navire et on distingue la jauge brute et a jauge nette selon que l'on compte ou non les superstructures.

Qu'en est-il à Séville aux XVIème et XVIIème siècles? Si l'on traduit *tonelada* par tonneau, de quel tonneau s'agit-il: d'affrètement, d'encombrement, ou de jauge? Et quelle valeur lui attribuer?

¹*Le navire et l'économie maritime du XV au XVIII siècles*. Ed. par Michel Mollat. Paris S.E.V.P.E.N. 1957 pp. 71-84.

En général le tonneau en usage, dans l'Ancien Régime économique, est le tonneau d'encombrement. Mais il faut à Séville distinguer un tonneau court en usage avant 1590 et un tonneau long et représentant un volume double postérieur. En réalité on n'a pu passer brusquement du tonneau court au tonneau long, d'autant que rien ne marque la différence dans les registres de la Casa. Il semble qu'on soit passé par une transition insensible de l'un à l'autre. Et avec des relais. Le tonneau court est andalou. "Mais étant donné l'extrême rareté dans l'Atlantique des navires andalous par rapport aux navires de Biscaye et la prépondérance des gens du Nord de l'Espagne dans l'armement, il semble raisonnable d'admettre que ces derniers aient pu amener à Séville leur système de mesure." On aurait donc ainsi utilisé un tonneau plus long que le tonneau court, plus court que le tonneau long, mais plus près du tonneau long que du court. "Les impôts *ad valorem* étant assis moins, on l'a vu, sur la nature du chargement que sur le volume global de la marchandise, il est bien évident que les marchands avaient intérêt à faire adopter une unité plus forte. Et les complaisances qu'ils ont rencontrées d'ordinaire à Séville ne permettent pas de préjuger une résistance victorieuse des fondés de pouvoir de l'Etat."

Mais le glissement d'une unité à l'autre s'explique aussi par le passage de la notion d'affrètement à la notion de jauge. Le tonneau court s'applique vraisemblablement à une mesure d'affrètement, c'est-à-dire à la mesure du volume du navire effectivement utilisable à des fins de transport. Il représente, comme le tonneau d'encombrement défini en France par Colbert, quatre barriques bordelaises. Au contraire le tonneau long ressemble étonnamment à l'actuel tonneau de jauge international. Il devait désigner le volume total du navire. Le passage de l'un à l'autre a été d'autant plus facile que la différence entre les deux façons de compter était moins grande dans les navires à voiles que dans les navires à vapeur. De plus, opposer "affrètement et jauge, volume utile et volume total" serait un anachronisme, puisqu'encore à l'heure actuelle la marine tend invinciblement à ramener sa notion de jauge à la notion d'affrètement, en éliminant de ses calculs, avec les superstructures, le plus de volume possible."

Cette révolution de la mesure de tonnage est capitale. Elle marque une victoire des fraudeurs du fisc. Elle modifie les idées que nous avons sur la décadence du XVII^e siècle "La décadence de l'Atlantique espagnol est plus relative que réelle, plus un fait d'accélération que de niveau, mieux exprimée par la dérivée que par la fonction." Enfin, après 1590, l'Espagne utilise une unité double de celle des autres pays. C'est le signe d'une énorme victoire des Espagnols, cette déflation. Mais qui s'en soucie en Europe? Cette insouciance du chiffre, chez les hommes du XVII^e s., ne permet-elle pas de parler d'Ancien Régime de la mesure? En tous cas on rétablira, dans les tableaux statistiques, les

volumes réels et pour ce, on utilisera une grille "générale de pondération" affectant les chiffres bruts des archives d'un coefficient variable avec le temps, d'un dégradé progressif.

La seconde partie du volume I est consacrée aux sources autres que les registres, et deux chapitres en particulier aux papiers d'*averia*. Ce droit mal connu — Ramon Carande l'a négligé dans le tome II de son *Carlos V y sus banqueros* — les auteurs l'étudient dans tous ses aspects. Les lusitanisants noteront avec intérêt les pages 208-224 consacrées à la période 1591-1628 où l'*averia* était affermée: ils y retrouveront des noms de grands bourgeois portugais, "nouveaux-chrétiens" évidemment, dont les ambitions ont éveillé les susceptibilités andalouses. Un troisième chapitre est consacré aux autres papiers: papiers d'*armada*, comptes des payeurs généraux, comptes de Maîtres et d'Intendants, comptes du Facteur, comptabilité des *audiencias* et des *almojarifazgos* des Indes, enfin la correspondance de la Casa.

Les auteurs quittent alors le domaine des sources pour une troisième et dernière partie, celle de la construction statistique. Il s'agit de montrer comment ont été élaborés les six volumes de statistiques qui suivent. On nous explique la structure des tableaux, les artifices de représentation utilisés, les types d'indications données, nature du navire, direction, provenance, pertes et accidents, âge et équipage du navire. Enfin le dernier chapitre porte sur le calcul des tonnages, connus directement ou indirectement ou même évalués. Il montre comment les transports de mercure permettent de classer les navires par tailles. Surtout il démontre l'ingénieux procédé "de la boule de neige" qui permet de retrouver indirectement les différents voyages d'un même navire.

Demandons au lecteur de se reporter lui-même aux six volumes de statistiques, quatre de données, deux d'élaboration, édités par les Chaunu. Qu'il admire leur densité, la clarté de leur exposition, la masse énorme de faits et de moyennes qu'ils représentent, les notes toujours riches qui les accompagnent. Venons-en tout de suite au septième volume, d'un format plus grand que les autres et groupant les graphiques et les cartes. Le mérite de l'œuvre ne revient plus ici seulement à Huguette et Pierre Chaunu mais aussi à Jacques Bertin, le prestigieux directeur du laboratoire de cartographie historique de l'Ecole des Hautes Etudes et à son adjoint Guy Arbellot. Leurs travaux sont maintenant connus dans le monde entier. Ils ont su mettre la carte et le graphique au service de l'histoire et exprimer les notions les plus diverses dans un langage neuf et brillant, fécond même, par les réflexions qu'il suggère.

Ces cent quarante trois pages gr. in -8°, sont presque entièrement recouvertes de dessins mono ou polychromes. On y distingue un groupe d'études générales: "L'Atlantique et son matériel" — "Analyse du mouvement total" — "Ventilation géographique du mouvement," tels sont le

titres — et des études particulières: les ports de Nombre de Dios et la Vera Cruz, le problème des pertes, la vie de quelques navires, le détail de quelques années, enfin la provenance des marchandises américaines arrivées à Séville.

D'abord l'Atlantique et son matériel.

La Carte des Vents et Courants marins en été, d'après la *Pilot Chart of the North Atlantic Ocean* d'Août 1953 (U.S. Navy) explique la carte suivante, celle des routes maritimes. Madère, les Canaries, les Iles du Cap Vert se trouvent sur le trajet des courants marins (courant canarien, courant Nord Equatorial) et aériens (alizés) qui, à l'aller, poussent les navires vers les Antilles. Les Bermudes et les Açores sont, elles, sur le trajet de retour, celui qui contourne la mer des Sargasses par le Nord et qui profite du *Gulf Stream* et des vents variables d'Ouest. Les *hurricanes* de septembre, marqués eux aussi expliquent la nécessité reconvenue seulement après 1550 de quitter les îles avant le 20 août. La carte des routes maritimes, que la précédente explique, est double: 1504-1580 et 1536-1550, car de 1536 à 1550 les deux systèmes représentés ont co-existé. Le premier est caractérisé par le rôle que joue le port de Saint-Domingue, relais presque obligatoire à l'aller comme au retour. "A l'aller, après l'escale nécessaire — on y fait vivres et eau — aux Canaries, on se laisse porter par l'alizé jusqu'à l'une des petites Antilles." De là on gagne Saint-Domingue, puis un des ports du continent, la Vera-Cruz; Nombre de Dios ou Carthagène. Après 1550, une partie des navires après l'escale des petites Antilles, touchent directement les autres îles ou le Continent mais le retour se fait presque obligatoirement par La Havane. On a établi la hiérarchie des relais canariens et antillais. Noter le rôle de Lanzarote (33% des passages repérés) et de la Gomera (31%) pour les Canaries, le rôle de Dominique (37%) pour les petites Antilles. Enfin, selon le commentaire de Pierre Chaunu "on peut considérer qu'à partir de 1550 la *Carrera* n'a pratiquement plus de progrès à faire. Elle a virtuellement atteint la perfection compatible avec les techniques de son temps."

Huit pages de cartes et graphiques nous représentent la rotation et la vitesse des convois. D'abord l'ensemble du mouvement. Pour chaque tête de ligne ou escale importante, une courbe mensuelle des passages de convois a été établie d'après la moyenne 1550-1560. A l'aller: Cadix (maximum en juillet) — les Canaries (maximum en juillet) — les Antilles (maximum en août) — la Vera Cruz (maximum en septembre). La flotte hiverne à la Vera Cruz. Les maxima de Carthagène et Nombre de Dios-Puerto Belo se placent en mai et juin. Au retour le maximum se place en juillet à La Havane, en septembre aux Açores et à Cadix. Les flèches reliant les maxima forment la courbe des temps de trajet du convoi (axe géographique des plus grandes fréquences). Un fond de carte

léger nous rappelle le trajet suivi. La page suivante est consacrée — toujours d'après le même procédé de l'axe graphique des plus grandes fréquences — à l'étude des convois de Nouvelle Espagne, ceux pour lesquels on dispose des séries les plus denses et les plus homogènes. Le procédé de l'axe graphique démontre que le rythme de rotation des convois de Nouvelle Espagne est de l'ordre de 14 à 15 mois en moyenne. D'où la nécessité d'avoir toujours pour assurer un rythme annuel, deux convois prêts. Le corollaire de cette proposition est établi par "la rose biennale." Les escales représentent dix huit mois et demi contre cinq mois et demi seulement de navigation effective: d'où le danger de la *broma* qui ronge les coques et le faible rendement du capital engagé dans l'armement, ce qui accroît le prix du fret.

La représentation graphique des temps et vitesses de parcours et des distances parcourues est complétée par une carte des vitesses comparées sur les principaux parcours à l'aller, une carte parallèle pour le retour, enfin deux cartes — allers et retours — de l'Atlantique d'après les temps de parcours (escales comprises). Les cartes sont particulièrement suggestives. Les deux premières mettent en valeur "Thétérogénéité structurale des espaces océaniques." Chaque section de la route aller et retour est divisée en autant de fragments que les convois mettent en moyenne de jours pour les parcourir. Trois secteurs apparaissent ainsi dans la navigation atlantique: les secteurs les plus courts mais aussi les plus lents et les plus dangereux de la "Méditerranée Atlantique" et de la "Méditerranée Américaine" et entre les deux le plein Océan, "le domaine des navigations monotones et sans histoire." Dans les deux dernières cartes, on a opposé en fond de carte le dessin des côtes, au premier plan un trait noir appuyé, "un Atlantique fictif" dessiné non d'après les distances réelles, mais d'après celles en nombre de jours de navigation. Pour le retour, de telles cartes mettent La Havane à mi-chemin entre le Mexique et l'Espagne. Ces cartes "subjectives" correspondent mieux à la réalité de la navigation à voile que les cartes "objectives," celles que nous employons.

Cette première partie se termine par quelques représentations suggestives du "matériel atlantique." Elle contient des renseignements, surtout abondants après 1590 sur le type des navires. Les 103 types et 230 variantes des documents ont été ramenés à huit grandes catégories. Notons la part importante des barques, pataches et brigantins, comme petits navires, des naves, des galions comme gros, et à la fin de la période, des hourques et filibotes. Pour les chantiers de constructions navales, domine la côte Nord de l'Espagne mais le Portugal, sous "la domination philippine" et l'Amérique, au XVII^e s., ont une place honorable.

La seconde partie est consacrée à l'analyse du mouvement total. Les problèmes de méthodologie que nous avons abordés dans l'Introduction

sont ici traduits en graphiques: parts du tonnage évalué et de celui connu directement et indirectement, année par année, à l'aller comme au retour. Opposition du tonnage pondéré et non pondéré — la différence, remarquons le, n'est pas énorme à long terme — opposition du tonnage pondéré au nombre de navires, et qui montre bien l'accroissement considérable de la taille des navires à partir de 1550.

Ces courbes correctives permettent ensuite d'aborder l'analyse sommaire du mouvement total. Aux courbes brutes se superposent des moyennes mobiles médianes de 5 à 13 ans. Pierre Chaunu justifie ainsi ce choix:

Moyennes médianes et non moyennes arrière tout d'abord dans la mesure où très tôt les milieux d'affaires de Séville ont eu la notion confuse de l'existence d'une fluctuation grossière, la notion plus confuse encore d'une tendance et où par conséquent, la prévision intervenant, les moyennes médianes constituent bien des instruments plus fidèles que les moyennes arrière. Nous aurons donc préféré la solution de l'économiste à celle de l'historien.

De toutes les moyennes médianes, d'autre part, les moyennes de treize et de cinq ans se sont, à l'usage, révélées les meilleures . . . Les moyennes de treize ans parce qu'elles donnent le rabotage le plus efficace. Ce sont elles qui dégagent le plus vigoureusement, à l'intérieur des tendances majeures, les grands intercycles de hausse et de baisse. Ce sont elles aussi, qui coiffent le plus efficacement la fluctuation dominante, un cycle, en gros décennal, entre dix et onze ans, plus proche de onze que de dix ans. Pour une moyenne plus courte, onze ans, par exemple, le "trend" est moins bien dessiné, plus longue, l'intercycle tend à disparaître et les angles du mouvement de la tendance s'atténuent.

Quant à la moyenne de cinq ans, elle élimine l'accident de mer — une moyenne de trois ans voire de deux ans y suffit — elle masque, en outre la fluctuation plus courte, de trois ans et demi à quatre ans, que l'on trouve la plupart du temps en dessous du cycle majeur, ici, comme partout, en gros décennal . . .

Ces courbes fondamentales sont complétées par une présentation histogrammatique des tonnages retour en pourcentages des tonnages totaux; ce pourcentage est généralement inférieur à 50%; il l'est presque toujours dans l'histogramme décadaire (totaux dix ans par dix ans de 1510 à 1650). Les auteurs y ajoutent les courbes représentant les écarts de la courbe annuelle par rapport à la moyenne mobile de 13 ans pour les prix en Espagne, les tonnages allers, les tonnages retours et les tonnages allers plus retours, enfin les courbes semi logarithmiques correspondant aux

courbes arithmétiques fondamentales.

San doute les conclusions tirées de l'étude de ces courbes seront-elles données dans les volumes non encore parus de *Séville et l'Atlantique*. Déjà nous pouvons en tirer quelques unes provisoires. Toute la vie économique de l'empire espagnol semble en effet animée de la même pulsation. A court comme à long terme, il y a parallélisme évident entre toutes ces courbes de tonnage, entre elles et celles des prix. L'étude du mouvement séculaire, d'autre part, nous permet de placer le maximum de la courbe vers 1610, en retard de dix ans sur celui d'Hamilton. Nous attendrons une comparaison avec la courbe des arrivées de métal précieux de l'historien américain: elle paraîtra sans doute dans les prochains volumes; Mais déjà nous notons le parallélisme — sauf ce retard 1600-1610 — entre le tonnage des retours et la courbe prix-argent en Espagne, tirée d'Hamilton. Cette conjoncture se vérifie-t-elle dans le mouvement en valeurs? Deux pages de graphiques sont consacrées à celui-ci. En attendant leur analyse détaillée, Pierre Chaunu nous livre les réflexions suivantes:

Tout d'abord la distorsion entre les Allers et les Retours en valeur. Elle traduit la fantastique plus value des marchandises européennes en Amérique . . . Le dénivellement constitue le moteur de la folle entreprise. D'aucuns pressés parleront, un peu vite d'exploitation coloniale.

Le mouvement valeur monte plus longtemps et résiste mieux, d'abord, que ne le fait le mouvement en volume. Sa déroute, ensuite, est plus totale.

Notons que ce décalage va au delà de ce qu'on peut attendre de la révolution des prix et de la dévaluation billoniste. Il est d'autant plus surprenant qu'il est, en grande partie, contrarié par la décomposition rapide de la fiscalité, dont nous avons la certitude au XVII^e s. C'est là une preuve parmi plusieurs d'une modification progressive des exportations, en faveur des marchandises de prix et au détriment des paradoxaux pondéreux des folles années du jeune Atlantique de Séville.

Le dernier graphique (opposition valeur des marchandises et valeur du trésor au retour) prouverait, s'il était besoin, le primat des trésors au retour, et l'atténuation progressive de leur souveraineté au fur et à mesure de la décomposition de la prospérité du XVI^e s.

La troisième partie nous présente la ventilation géographique du mouvement. Et d'abord la ventilation générale du tonnage. La place de Séville dans les départs ne peut être fixée avec précision qu'après 1550. A partir de 1581-85 recul relatif des navires marchands de Séville dor

le mouvement reste étale, tandis que la progression est assumée par les séries les négriers — ils embarquent en Afrique — des caditains et surtout des "armadas." La poussee de celles-ci s'accompagne de leur transformation: leurs fonctions militaires s'effacent peu à peu devant leurs fonctions marchandes. Si on ventile le tonnage par grandes zones américaines, allers et retours réunis, ou allers, ou retours, la répartition est assez égale avec cependant une assez nette infériorité des Iles. Avant 1550 rien de précis: on trouve trop souvent la mention "Indias" sur les documents, trop vagues. La présentation décadaire puis semilogarithmique de tous ces résultats en facilite la lecture. La seconde en particulier a, comme le fait remarquer M. Chaunu, l'avantage de dégager beaucoup plus clairement les différentes fluctuations courtes sur ces séries et de les rendre exactement comparables.

La ventilation générale des navires complète celle des tonnages. Pour chaque port ou zone envisagés, on a inscrit en rappel la courbe du tonnage unitaire ou moyen des navires sortant de cette zone ou de ce port. "On notera," écrit Pierre Chaunu, "les énormes distorsions du tonnage unitaire, dans le temps, mais surtout suivant les axes envisagés: géants d' "armada" (navires qui assurent, entre autres, une fonction militaire) et caditains (port en eau profonde) la poussière canarienne et négrière, apte à desservir les côtes les plus médiocres de l'Amérique et de l'Afrique. Entre les deux, Séville gênée par sa barre représente un moyen terme plus proche, quand même, des gros que des petits." Notons aussi le contraste entre la taille médiocre des navires des îles et les dimensions considérables et relativement voisines des navires des lignes de Nouvelle Espagne et de Terre Ferme. Enfin pour les navires négriers un histogramme nous donne le nombre maximum de navires en 1608. La carte et les histogrammes régionaux qui l'accompagnent montrent la translation vers le Sud de la zone d'approvisionnement. "Le Cap Vert," écrit Pierre Chaunu, "puis la Guinée, l'Angola enfin, dominent successivement, — expression très claire, si besoin était, de l'épuisement rapide des 'carières' trop proches."

Ensuite, une étude, selon les mêmes principes, de la ventilation détaillée du tonnage montre le primat d'Espanola jusqu'en 1580, le rôle croissant de Cuba au delà, et dans chacune de ces îles la part écrasante prise par un grand port, La Havane ici, Santo Domingo là. Pour la Terre Ferme, rôle dominant de Nombre de Dios et après 1597 son voisin proche, Puerto Belo. En seconde position, Carthagène. Pour la Nouvelle Espagne, part écrasante de la Vera Cruz, puis du Honduras.

Enfin seize cartes traitent de l'évolution du trafic des ports américains avec l'Espagne. Sur chacune, des cercles noirs marquent chaque port, proportionnels à l'importance du trafic en *toneladas*. Une première carte, hors série donne les différentes localisations, les différents ports qui

apparaissent en un siècle et demi. Les quinze autres traitent le trafic dix ans par dix ans, de 1501 à 1650. "L'évolution," écrit Pierre Chaunu "va dans le sens d'une dispersion et d'une concentration en quelques points clefs." Au début Saint-Domingue et Puerto-Plata (1501-1510) puis Saint-Domingue pompe l'essentiel du trafic d'Española (1511-1520 1521-1530) tandis que d'autres îles et de timides localisations continentales apparaissent. Entre 1531 et 1540 Saint-Domingue, la Vera Cruz et Nombre de Dios s'équilibrent. A partir de 1541-1550, les structures nouvelles sont en place, le continent domine.

1540-1560. L'isthme l'emporte sur la Vera Cruz, 1561-1580, les deux ports s'équilibrent. 1580-1620, la Nouvelle Espagne domine, au delà Puerto Belo résiste mieux. A partir de 1581, dans le groupe de îles, la Havane equilibre, puis, en général, surclasse Saint-Domingue.

Les deux dernières parties s'attachent à des problèmes particuliers. L'une à l'histoire précise de Nombre de Dios et de la Vera Cruz, l'autre au problème des pertes, à la vie de quatre navires, au mouvement de tous les navires pendant quatre années, enfin aux marchandises américaines qui arrivent à Séville.

La comptabilité financière de l'Audience de Panama a permis de restituer le trafic de Nombre de Dios. Elle ne donne pas les sorties. Elle ne fournit pas non plus le tonnage des navires mais elle donne plus du trafic avec l'Espagne, le cabotage d'Inde en Inde. Par le nombre des navires les entrées américaines l'emportent sur les entrées espagnoles. Mais les navires sont tout petits. Et les marchandises qu'ils transportent beaucoup moins chères. Aussi en valeur les entrées espagnoles sont-elles à peu près cinquante fois plus fortes. Pour la ventilation du mouvement entre les îles on notera le primat d'Española, suivie de Cuba, de Jamaïque et de Puerto Rico. La comptabilité s'arrête en 1572. Il y a de bonnes chances pour qu'il se produise, après, des modifications : déjà dans cette première période le déclin persistant d'Española est bien visible. Pour la ventilation entre les provenances de Terre Ferme et de Nouvelle Espagne, toutes proches, l'étude de la répartition saisonnière des entrées — navires venant d'Espagne, navires venant d'Amérique — montre une relative constance des répartitions dans le temps pour la période 1541-1570, ce qui tend à prouver que le rythme des vents et les conditions de la navigation sont bien comprises depuis 1544. A la grande irrégularité saisonnière des provenances lointaines européennes, s'oppose une relative régularité des provenances proches, américaines.

La comptabilité de la Caisse locale de la Vera Cruz permet une étude analogue, sorties en plus, pour la Vera Cruz — San Juan de Ulúa — pour des dates différentes d'ailleurs — quelques années dispersées de 1591 à 1616. On aboutit à des résultats analogues, en particulier la primauté de l'Espagne et des Canaries face à l'Amérique. Cependant

en contraste avec la régularité saisonnière de l'Isthme, l'irrégularité de la Vera Cruz peut s'expliquer par la plus grande violence des vents, et surtout par la part plus grande encore du trafic avec l'Espagne.

Autre problème particulier : celui des pertes. Une étude précise est difficile. Les cartes des Chaunu prétendent établir seulement une hiérarchie. D'abord celle des zones dangereuses : la zone du retour, non celle de l'aller.

L'usure du matériel des hommes renforce ici la géographie des courants et des vents. Les Bermudes, zone des *hurricanes*, les ports américains, un peu dans l'ordre de l'importance du trafic, avec un rôle de prédilection pour La Havane, lieu de rendez-vous des navires fatigués sur la route du bercail, mais, surtout les Açores et plus encore l'Espagne. C'est là qu'épuisés, dans un suprême effort pour sauver les hommes et leurs trésors, offerts aux coups de lâches adversaires, sont venus périr tant de robustes navires et de fiers galions.

Des cartes à grande échelle montrent les points dangereux : aux Açores c'est Terceira, au Portugal le cap Saint-Vincent, en Espagne la barre de San Lúcar ; en Amérique la côte Nord d'Española et ses boucaniers, le canal de Bahama etc. . . Par contre pas une seule perte à l'aller entre les Canaries et les petites Antilles. La courbe saisonnière des pertes reflète l'intensité du trafic. Mais celle-ci n'explique pas tout. L'été et l'automne sont spécialement pernicioeux. L'ennemi, pirate ou corsaire, et le climat, cet autre ennemi s'y conjuguent.

Le lecteur pourra encore, grâce à quelques dessins habiles, connaître la vie de quelques navires. On en a choisi quatre : deux naves, une patache et un galion. Ils illustrent les études déjà faites sur la rotation des navires. C'est le gros galion de 650 tonneaux qui résiste le mieux : treize ans, contre deux, trois et huit ans. Le mouvement de tous les navires, pendant quatre années un peu exceptionnelles, 1555, 1585, 1605, 1625, montre bien l'influence que peut avoir la guerre — ou la paix récente — sur les vicissitudes du trafic. Enfin les deux dernières cartes indiquent en poids et en valeur la provenance des différentes marchandises américaines arrivées à Séville. En poids, on notera le rôle écrasant du cuir, surtout celui de Nouvelle Espagne, en valeur, la cochenille de Nouvelle Espagne et derrière elle, à égalité le cuir et l'indigo. Le sucre domine à Española et les plantes médicinales sont produites partout. D'elles on a retenu seulement le gaïac, la salsepareille et la canafistole. Seul le gaïac compte vraiment pour la volume et pour le poids. . .

Il est temps de conclure, de porter un jugement. Mais le pouvons nous alors que l'œuvre est encore inachevée ? Deux mille pages nous manquent encore. On pourra critiquer ce gigantisme. Mais comme celui des galions espagnols au XVII^e s., il a sa beauté. Dans une

vision si vaste il y a place pour tous les détails et la collection Chaunu, on peut l'appeler déjà ainsi, est désormais une mine inépuisable pour les chercheurs. La forme en est d'ailleurs remarquable. S'il est impossible d'éliminer complètement les petites erreurs matérielles, disons qu'elles sont très rares. Un "semi decadaire" placé ici ou là à la place d'un "édécadaire" c'est peu de chose. Ces expressions elles-mêmes ont provoqué la réaction de l'historien Ernest Labrousse. Le mot depuis la Révolution Française ne désigne plus qu'une période de dix jours. Les Chaunu l'ont employé pour distinguer les périodes de dix ans commençant au millésime I et finissant au millésime O, des fluctuations decennales ou cycliques durant environ dix ans sans millesimes encadrants fixes. Donc tout est voulu et précis. De cette précision, de cette forme impeccable il faut féliciter Huguette Chaunu elle-même, qui a dirigé de ses propres mains le travail même de l'édition.

Quant au fond, distinguons la méthode employée des résultats obtenus. Mais pour mieux les louer. Comme le voulaient les auteurs la méthode emprunte beaucoup à la science et aux techniques économiques de notre temps. Elle nous permet vraiment de parler notre langage, de nous faire comprendre avec précision, sans pourtant jamais verser dans l'anachronisme. Il y a là une "justesse" que nous souhaitons aussi aux derniers volumes, non encore parus. Les documents, il faut le dire, offraient des facilités exceptionnelles à l'entreprise. Le mérite est de l'avoir vu, d'avoir su les utiliser. Pour les résultats, ils marquent le triomphe de cette histoire sérielle, c'est-à-dire fondée sur l'analyse patiente de séries numériques. Nous n'aurons ces résultats complets qu'à la lecture des deux derniers volumes. Les premiers nous mettent déjà devant une des plus remarquables organisations maritimes de l'époque moderne. Aucun pays n'a eu comme l'Espagne un appareil aussi extraordinaire et une tenacité aussi grande pour le faire fonctionner. On conçoit que pour l'homme du XVI^e s., le désastre de l'Invincible Armada ait été une surprise. D'un autre côté nous sommes frappé de la concordance de la conjoncture sur l'Atlantique Espagnol avec les autres conjonctures d'Europe Occidentale.

Encore une fois et en plus de son apport propre, le travail de Pierre et Huguette Chaunu complète et corrige, renouvelle même tout à fait ceux de Clarence Haring et d'Earl Jefferson Hamilton sur l'Atlantique Espagnol. Dialectique internationale, somme toute, fort sympathique.

THE DEVELOPMENT OF ACCION DEMOCRATICA DE VENEZUELA

Harry Kantor

The election of Rómulo Betancourt as constitutional President of Venezuela for the 1959-1964 term marks a turning point in that country's political evolution and a high point in the tide of reform now sweeping Latin American toward stable constitutional government. The new president of Venezuela and the party he leads, Acción Democrática, represent the same type of reformist movement as those now flourishing in many other countries of Latin America. As a result, dictatorship in the spring of 1959 is confined to the Dominican Republic, Nicaragua, and Paraguay. The situation in Haiti is unclear, but in the other sixteen republics the governments are controlled by parties and leaders which are to a greater or lesser degree trying to get away from the past and seem to have the support of their populations in their efforts. This marks a great change from most of the past history of the Latin American Republics in which the population was ruled by dictatorial cliques dedicated to the preservation of a status quo which meant the perpetuation of poverty and backwardness for most of the Latin Americans.

Although the Mexican Revolution and the Uruguayan transformation had pointed the way to the future, the present tendency toward institutionalizing constitutional reformist government seems to have begun with the victory of the Bolivian Revolution in 1952. It appears as if sparks from that event lit the fires of revolt in other countries, and since then dictator after dictator has disappeared. In Argentina Perón was overthrown in September, 1955; in Peru General Odría, faced by a rising tide of opposition permitted a free election in June, 1956, and turned his office over to the candidate receiving the most votes; in Colombia General Rojas Pinilla was overthrown in 1957 and Colombia now has a constitutional president; Honduras returned to constitutional government after a revolt in October 1956 expelled her dictator; Guatemala now has an elected government once again; in Venezuela Pérez Jiménez

was overthrown in January 1958; and in January, 1959, Fulgencio Batista was expelled from Cuba by an aroused population. Although all of these events have received publicity, most observers fail to see the connection between the changes in the various countries.

What has been happening in Latin America is the culmination of a long process of development that began with the wars of Independence and led in the period after World War I to the creation of a series of indigenous reformist political parties dedicated to the reconstruction of the traditional organization of society on a more equitable basis than had been the rule in the past. The ideas and activities of these movements have changed the complexion of political life in the area. They have stimulated new elements to enter political activity and have brought to the fore solutions to the age-old problems of the area. The Uruguayan Colorados, the Peruvian Apristas, the Costa Rican Liberación Nacionalistas, the Argentine Intransigent Radicals, the Paraguayan Febreristas, the U.D.N. in Brasil, the P.R.I. in Mexico, the Auténticos, the Ortodoxos, and the new 26th of July Movement in Cuba, these and others all represent the same basic urge now winning to power in Latin America.

Acción Democrática of Venezuela is typical of these movements and its development has paralleled that of most of the others. Founded in the late 1930's it has now been functioning for about twenty years yet it is misunderstood by many. The *New York Times*, for example,¹ in commenting on the election of December 7, 1958, reported that a survey forecast that Admiral Larrazábal would gain 38% of the votes; Dr. Rafael Caldera would win 32% of the votes and Rómulo Betancourt the Candidate of Acción Democrática would gain 30% of the votes. The election proved this forecast to have been wrong, yet on the day before the election *The Times* reported that "Most observers believe the contest will be between Admiral Larrazábal and Señor Betancourt. They generally give the edge to the Admiral."² When the votes were counted 47 percent were cast for Acción Democrática and its candidate Rómulo Betancourt while the other candidates divided the rest of the votes.

This failure to correctly forecast the election in Venezuela was due in part to the fact that until now scholars generally have failed to study adequately these new indigenous movements. This is probably because most of these movements have led a harried life functioning illegally in their own countries as underground movements for many years. At the same time, the dictatorships have constantly disseminated elaborately produced magazines, books, and other materials which presented distorted pictures of what was happening in their countries. The result has been that little accurate information has been available about such

¹December 5, 1958, p. 14.

²*Ibid.*, December 6, 1958, p. 13.

organizations as *Acción Democrática*.

This essay will attempt to remedy the lack in part by tracing the history of *Acción Democrática* and its leader Rómulo Betancourt, reporting its present program, and supplying a bibliography which will enable anyone interested in knowing more about the subject to get that information.

The history of Venezuela from the time Bolívar won his final victory against Spain in 1823 until 1958, except for the three years from 1946 to 1948, is a record of government by dictatorship which was brutal, corrupt, and wasteful of the country's human and natural resources. Juan Vicente Gómez, who ruled Venezuela from 1908 to 1935 was typical of his predecessors in the presidential office. Basing himself upon an efficient spy system, terror, and a monopoly of power, he was able to stifle all attempts to create a freer society and succeeded in preserving his power until he died of natural causes on December 17, 1935. Despite the apparent lack of organized opposition to Gómez the currents of reform which swept all Latin America after World War I had permeated into Venezuela and stimulated thinking persons to begin activities which culminated in the creation of *Acción Democrática*, the party which won the election held on December 7, 1958.

Acción Democrática is led by one of the most brilliant men now active in Latin America's political life: Rómulo Betancourt. Born in Guatire in the State of Miranda on February 22, 1908, he lived there until he was eleven years old when he was brought to Caracas by his parents. After graduating from the Caracas Liceo where he was influenced by Rómulo Gallegos, Betancourt entered the Central University of Venezuela where he not only won a prize in a short-story contest in 1927, but also became a leader of the students. In February 1928, a twenty year-old student, he made a speech asking for a freer society and was immediately put into jail together with some 200 other persons.

Despite the dictatorship, the jailing of the young students provoked a general strike and the streets of Caracas and La Guaira were barricaded as the people armed with stones defied the army. The strike was crushed, but as a result of the turmoil Gómez freed the students. A short time later on April 7, 1928, the students and their friends attempted an armed revolt. When this was crushed by the army, Rómulo Betancourt fled the country disguised as a peasant and made his way to Curaçao.

Thus, at twenty, Rómulo Betancourt was an exile from his country. This practically forced him to think about politics and from then on he devoted his life to the creation of a political party that would lead Venezuela's people to a happier and more fruitful life than they had known under their dictators. The great influence in Betancourt's life at

that point was Rómulo Gallegos, his former teacher. Gallegos inspired not only Betancourt, but a whole generation of other youths who have gone down in Venezuela's history as the "generation of 1928." It is this group which some years later was to create Acción Democrática.

Curaçao made a great impression on young Betancourt. In the evening after his day's work was done he would go to the district where petroleum was refined to talk to the Venezuelan workers. Why, he began to wonder, must thousands of Venezuelan workers live in Curaçao refining Venezuelan petroleum when they could be doing the same thing in Venezuela living with their families and relatives in their native land? He knew something was wrong with this kind of economic system and he resolved to dedicate his life to creating a more sensible economic organization in Venezuela.

From Curaçao, Betancourt went to Costa Rica and from there to Colombia. It was in Colombia that Betancourt first began to organize a political party. He also began to publish articles about the Gómez regime and his first pamphlet appeared at that time. Betancourt studied economics and political science; he exchanged ideas with the reformist thinkers he encountered in the various countries in which he lived. After the death of Gómez in 1936 he returned to Venezuela. His legal stay in the country was short, however, for in 1937 the inheritors of Gómez's power ordered him banished from the country.

Betancourt went into hiding and from 1937 to 1939 worked on building a democratic reformist party. First known as the Organización Revolucionaria Venezolana (Orve), the name was soon changed to Partido Democrático Nacional and in 1941 to Partido Acción Democrática. All three organizations had the same leadership and similar programs. During the period of underground activity from June, 1937, to October, 1939, Betancourt wrote more than sixty articles for *Ahora*, the Caracas daily paper. The party he led irregularly issued a periodical *Izquierdas*, and many handbills and succeeded in electing various persons to the Caracas City Council. In 1939, Betancourt left Venezuela and lived in Peru and Chile. He helped to organize the First Congress of Popular and Socialist Parties of Latin America which met in Chile in 1940; he published his first book about Venezuela; he lectured at various universities and he developed his ideology in contact with the plentiful refugees from all over America then living in Chile. He returned to Venezuela in February, 1941.

Acción Democrática was given legal status on September 13, 1941, and Betancourt became its Secretary-General. The party had campaigned for the election of Rómulo Gallegos as president in the election of April 28, 1941, but he received only 13 of the 147 votes cast in the legislature which, at that time, chose the president.

The program upon which Gallegos campaigned supported the following:

1. Opposition to the Communist Party.
2. Cooperation with and not dependence upon foreign investors in the development of the oil fields.
3. Universal and direct suffrage through secret elections.
4. Liberty for all and the protection of the individual's rights.
5. Solidarity with the democratic nations and the underdeveloped areas of the world.
6. The industrial development of Venezuela.
7. Redistribution of the land.
8. A better living for the poor.
9. The gradual transfer of the petroleum processing plants to Venezuelan ownership.
10. The abolishment of the customs privileges enjoyed by foreign investors.
11. The stimulation of immigration.
12. A credit system to stimulate and help agricultural and industrial development.
13. An indirect income tax.

One immediately notices the resemblance of this program to that developed by the other indigenous reformist parties in Latin America.³ Yet these do not appear to be such radical demands. Most of what the young Venezuelans wanted for their country had been long accepted in other countries where democracy ruled.

During the presidency of General Isaías Medina Angarita, from 1941 to 1945, a number of reforms were instituted. The political parties were permitted to function freely and Acción Democrática grew larger. In 1944, Betancourt was elected a member of the Council of the Federal District, his first public office.

By 1945, Acción Democrática was a powerful organization, but it had little chance to win control of the presidency as under the constitution the national legislature elected the president and the incumbent president had the support of the majority of its members. The leaders of Acción Democrática evidently felt that the constitutional organization of the Venezuelan Government created a self-perpetuating hierarchy and they proposed, therefore, a novel solution to create democratic government. Their idea was to have a neutral person chosen by agreement among all the political groups which would then elect this person president for one year. During that year, a new constitution would

³See for example Harry Kantor, *The Ideology and Program of the Peruvian Aprista Movement*, Berkeley, University of California Press, 1953; revised edition: *Ideología y programa del movimiento aprista*, México, Editorial Humanismo, 1955.

be written which would provide for the election of the president by universal, secret suffrage. Then, whoever won the election would have the support of the majority and Venezuela could begin to live under stable government. President Medina Angarita refused to accept this novel idea and as a result Acción Democrática and a group of young army officers organized a revolution and captured control of the government in October, 1945.

There has been much criticism of this alliance between the army officers and Acción Democrática because of the split between them in 1948 which ushered in nine more years of military dictatorship for Venezuela. Betancourt claims that the first overture for an alliance came from the army officers.⁴ They had organized a Unión Patriótica Militar because they were unhappy with the prospect of a continuation of the kind of government Venezuela had had since Gómez died. Using a boyhood friend of Betancourt, Dr. Edmundo Fernández, as an intermediary, they proposed to Acción Democrática that a revolutionary change be made in the government. The leadership of Acción Democrática evidently agreed to cooperate with the Unión Patriótica Militar for two reasons. In the first place, they could not see how they could win control of the country under the constitution then in force. That document provided for the election of the president by the legislature which was a well-controlled group dominated by the incumbent president who refused to consider any compromise with Acción Democrática. In the second place, Betancourt and the other leaders of Acción Democrática were impressed with the desire for democracy displayed by the army officers, particularly Captain Mario Ricardo Vargas. Betancourt is also reported to have stated that the army officers were so determined to carry out a coup d'état, whether or not Acción Democrática cooperated, that the leaders of Acción Democrática were afraid a strictly military regime might be set up which might lead to a return to the type of dictatorship Venezuela had suffered under Gómez. Since the officers had agreed to permit civilian domination of the new government, Acción Democrática cooperated with them.⁵

The government evidently discovered that the army officers and the leaders of Acción Democrática were meeting together and when Acción Democrática held a mass meeting in Caracas on October 17, 1945 to mobilize its supporters, the President arrested certain army officers and restricted all troops to their barracks. A revolt then began in which more than 400 were killed and wounded. Thirty-six hours later

⁴Betancourt describes these events in his *Venezuela, Política y Petróleo*, pp. 188-200.

⁵Betancourt is quoted as saying this to Robert Alexander in *Communism in Latin America*, New Brunswick, Rutgers University Press, 1957, p. 258.

Revolutionary Junta was created which soon had complete control of the country. The Junta included four members of Acción Democrática, two army officers and one non-party civilian, Dr. Fernández, the intermediary between the army and Acción Democrática. Rómulo Betancourt was chosen to be President of the Junta.

The three years during which Acción Democrática led Venezuela's government saw many revolutionary changes in the country. One of the most democratic constitutions in the world was adopted and put into force after fair elections under its provisions. Universal secret suffrage was introduced for the first time in the country's history. The oil company's taxes were raised to 50% of their net profits and the money was used for public works. A new university city to house the national university was begun as part of a far-reaching plan to improve all education. The number of students jumped rapidly. Public lands were distributed to the landless. Immigration was stimulated. A government-owned merchant fleet was set up in cooperation with the governments of Colombia and Ecuador. Public housing, highways, and other public works were built and plans for many more such projects were formulated. An attempt was made to control inflation by setting maximum prices on foodstuffs and other necessities. The government also set up stores to sell staple food products at a fixed 30% markup. The formation of democratic trade unions was encouraged and the number in existence grew rapidly. The social insurance system was revised and improved. Planning for the future was encouraged by the creation of a National Economic Council with wide advisory powers. Public health was improved by greatly increasing the budget for hospitals, health education, the training of medical personnel and other measures.

Democracy came to Venezuela and political parties flourished. The most important, in addition to Acción Democrática, were *Copei*: the Comité de Organización Política de Electoral Independiente, a party animated by the social doctrines of the Catholic Church; and the Unión Republicana Democrática, a party which is difficult to classify. The Unión Republicana Democrática is led by Jóvito Villalba, one of the student leaders of the 1920's who belonged to the *Orve* organization, and apparently because of personal differences with the leaders of Acción Democrática organized his own party with a similar program. Of lesser importance were the two Communist Parties which functioned during the 1945-1948 period.

Other significant achievements of the Acción Democrática government led by Betancourt were the two elections held on October 27, 1945, and December 14, 1947. These demonstrated that fair elections could be held in a country unused to democracy and inhabited by a large number of illiterates, for all observers agreed on the fairness of

these elections. A system of colored cards was used combined with a party list. All a voter had to do was to select the card of the party he favored and put it into an envelope. The first election created a constitutional assembly and the second chose a new president, legislature, and local officials. Acción Democrática won a sweeping majority in both elections and its candidate, Rómulo Gallegos, was inaugurated on February 15, 1948, as the first freely-elected president Venezuela had ever had.

Gallegos served until November 24, 1948, when basically the same group of army officers who had cooperated with Acción Democrática in 1945 took control of the government through a coup d'état. The Gallegos administration had continued the policies introduced by the junta led by Betancourt, but the army officers stimulated by the rise of militarism in Argentina and Peru thought they were being slighted by Gallegos. They asked him, therefore, to reorganize his cabinet to include more military officers. Gallegos refused, whereupon the coup d'état took place.⁶

The military dictatorship kept control of Venezuela until January 1958, slowly being transformed into a personalistic regime dominated by "General" Marcos Pérez Jiménez. These were tragic years for Venezuela. The jails contained thousands of political prisoners; concentration camps were set up in the jungle to hold the overflow; graft and speculation wasted hundreds of millions of the dollars received from the oil companies. Controlled elections were organized, but the dictatorship never succeeded in gaining any wide support, keeping itself in power by the force of its armaments. The most conspicuous achievements of the dictatorship included the construction of many showy public works including the most expensive highway in the world from La Guaira to Caracas, the most lavish officers club in the world, and some skyscrapers in Caracas. Inflation was rampant and liberty was non-existent.

Acción Democrática led a hectic life during these years. It kept its organization functioning both in Venezuela and in exile, but thousands of its members were killed and jailed. Two successive national secretaries of the party were killed by the dictatorship: Leonardo Ruíz Pineda, assassinated in Caracas on October 21, 1952, and Alberto Carnevali, who was captured by the police on January 18, 1953, and died mysteriously in jail. The party organ *Resistencia* and various other publications were published and distributed regularly in Venezuela and other bulletins and periodicals were issued in exile. Acción Democrática never

⁶A detailed description of these events are in Rómulo Betancourt, *Venezuela política y petróleo*, pp. 461-478. See also *Documentos oficiales relativos al movimiento militar del 24 de noviembre de 1948*, Caracas, Oficina Nacional de Información y Publicaciones, 1948, or the military version of these events.

gave up the struggle. Its confident viewpoint during this period was best expressed by Betancourt who ended his book, *Venezuela, política y petróleo*, by accurately forecasting what would soon happen. "Our America," he wrote, "has 'begun its revolution' . . . From one end to the other a tremendous wave of popular revolt is rising . . . The enormous natural wealth Venezuela possesses will facilitate the accelerated advance of the country under responsible and orderly government . . . The country has matured and learned much in the instructive school of adversity . . . In the immediate future Venezuela will be a happy and enlightened country with democratic government based upon mass support."⁷

This writer discussed the Venezuelan situation with Rómulo Betancourt in the spring of 1956 in Puerto Rico. He displayed the same confidence as he did in his book. The reports he was receiving from within Venezuela, he said, were encouraging. More and more Venezuelans were becoming opponents of the military dictatorship and a change to democratic government was inevitable. The change he predicted came a little more than a year and a half later.

During 1957, Acción Democrática and three other important political parties created a Patriotic Junta as an underground civilian organization to coordinate all efforts to free Venezuela from the incubus persecuting its people. Fabricio Ojeda was chairman and represented the Republican Democratic Union. Silvestre Ortiz Buscaran represented Acción Democrática. Enrique Aristeguieta represented *Copei*. Guillermo García Ponce represented the Communist Party. All decisions taken by the Patriotic Junta had to be unanimous. The contact was through the separate party organizations. Various committees were set up; a strike committee, a factory committee, a feminine committee, and a student committee. Each party also set up a violence committee to supply arms to its members. Soon after the Patriotic Junta was organized contact with democratically-minded army officers was established.

The action which seems to have stimulated the overthrow of the military dictatorship was the farcical "election" of December, 1957. After promising elections General Marcos Pérez Jiménez changed his mind and on December 15, 1957, a plebiscite was held as to whether Pérez Jiménez should become president for 5 more years. According to Tad Szulc in the *New York Times* "Minutes before the first ballot box was opened, it was announced that General Pérez Jiménez had been re-elected by an estimated margin of 85 percent."⁸ This plebiscite impressed Pérez Jiménez whose officials announced that there was little opposition to the government and therefore Pérez Jiménez would be inaugurated on April 19, 1958, for a new five year term. By that date Pérez Jiménez was

⁷Betancourt, *Venezuela Política y Petróleo*, pp. 774-777.

⁸December 18, 1957, p. 20.

to be in exile in Miami, Florida.

Reaction against the plebiscite came quickly. On New Year's day sections of the air force and the army revolted. This attempt failed because Pérez Jiménez kept the support of most of the army which defeated the rebels and because it was not coordinated with the efforts of the Patriotic Junta. Strict censorship made it difficult to discover what was happening in Venezuela especially since the dictatorship kept issuing optimistic reports about conditions. The Catholic Church became involved when 5 priests were jailed. Pérez Jiménez then tried to save his tottering regime by dismissing his hated Interior Minister and the even more hated Chief of the Secret Police. At the same time he made other Cabinet changes. Rioting in the streets, shootings and clashes between the armed forces and the people continued. Manifestos by the underground organizations were issued. A most dramatic incident was the demonstration near the headquarters of the secret police by a group of women. Although attacked by the police the women sang the national anthem, chanted "down with chains" and called for liberty.

The overthrow of the dictatorship began with a general strike called by the Patriotic Junta which closed the schools on January 20 and all other activities on January 21. Hundreds were killed and wounded and thousands were arrested. The government continued to broadcast that "everything is under control," but at the same time it tried to impose a dawn to dusk curfew. The newspapers failed to appear. Transportation was disrupted. Soon the civilian rebels led by the Patriotic Junta began to battle the dictator's police and army. All business came to a standstill. Nor was the rebellion confined to Caracas. From all parts of the country reports came that revolts were erupting.

Early in the evening of January 22 nine officers of the government's military forces met secretly to discuss action to halt the bloodshed. This group asked Pérez Jiménez to resign at once and to back up their request the officers ordered the military forces ready to take action. Pérez Jiménez asked to discuss the question, but by 2 a.m. that morning he was on a plane bound for the Dominican Republic.

A junta of 5 military officers took control of the government. The Patriotic Junta refused to support the military junta and violence continued. The junta was reorganized with 2 civilian members and a cabinet of 12 civilians and one officer was set up. This met the approval of the Patriotic Junta and peace came to Venezuela. Under the leadership of the new Governmental Junta led by Admiral Wolfgang Larrazábal the jails were emptied of political prisoners, freedom was restored; free elections were promised. The leaders of the three most important parties, Acción Democrática, the Republican Democratic Union, and *Copei* met in New York and formed a coalition called the *Frente Cívico Venezolano* to

facilitate the rebuilding of democratic government by easing inter-party struggles.

Rómulo Betancourt and the many other members of Acción Democrática soon returned from exile. One group from Costa Rica chartered a plane as soon as the report of the revolution reached San José, but the fighting prevented the plane's landing in a Venezuelan airport and therefore the group arrived in Curaçao. In a short time, however, all the exiles were back in Venezuela. Rómulo Betancourt returned to Caracas on February 9 to be greeted by a crowd of 30,000 who heard him speak in the Plaza del Silencio.

Acción Democrática rebuilt its organization quickly. From August 10 to 16, 1958, its 9th national convention reaffirmed the party program, elected officials, and adopted a new organizational structure to preserve democracy within the party.⁹ A network of branches and committees covered the country. Soon members of Acción Democrática won important positions in the Venezuelan trade unions.

During 1958 a debate between the political party leaders continued as an attempt was made to find a person who could become a joint candidate for President. It was feared that a political campaign might disrupt the cooperation between the political parties thus permitting the supporters of dictatorship to regain their power. Despite repeated discussions in many meetings an agreement could not be reached and three candidates competed for the Presidency in an election held on December 7, 1958.

Rómulo Betancourt, the candidate of Acción Democrática, won 1,284,092 votes, about 47% of the total. Rear Admiral Wolfgang Larrazábal, who headed the Government Junta during most of 1958, ran as the candidate of the Republican Democratic Union and the Communist Party and won 903,479 votes. Dr. Rafael Caldera ran as the candidate of the *Copei* party and won 423,262 votes. About 111,220 votes were spoiled in the voting. About 2,900,000 persons registered to vote of which number 2,722,053 actually cast ballots. Acción Democrática also won a majority in both houses of the Congress. The composition of the new Congress will be: in the Senate, Acción Democrática, 32; Republican Democratic Union, 11; *Copei*, 6; and the Communist party, 2. In the Chamber of Deputies there will be 73 Acción Democrática members; 34 U.R.D. members; 19 *Copei*; and 7 Communists.

President Betancourt after his victory announced that he would organize an administration with representation from the other political parties. He also proposed to set up a sort of council of elder statesmen including such persons as former presidents Eleazar López

⁹See "Estatutos de Acción Democrática," in Acción Democrática, *Tesis organizativa y estatutos*, Caracas, Editorial Antonio Pinto Salinas, 1958, pp. 21-62.

Contreras and Rómulo Gallegos and other outstanding men to advise him on broad questions of policy. He was inaugurated on February 13, 1959, and Venezuela once again started out on the road of democratic constitutional government.

President Betancourt regards unemployment as his number one problem at the moment. He proposes to curtail immigration and to institute a program of public works to solve this problem. The complete program the Betancourt administration hopes to achieve is contained in the program adopted by the Ninth Convention of Acción Democrática. A review of this program, therefore, should serve to explain why Betancourt received more votes than either of his opponents and almost as much as both combined.¹⁰

In the political field Acción Democrática is for complete democracy based on the direct, secret vote of all Venezuelans over 18 years of age. The government should be completely impartial in all elections and strict rules should be enforced punishing any form of bribery or fraud which interferes with the free expression of the voters at the polls. Civil liberties should be effectively guaranteed to all. The government should have the sovereign right to revise any treaty, agreement, or convention which is harmful to the country. All religions should be respected and all religions should have freedom since religion is a subject reserved to the individual conscience. The government should enforce a high moral and material level for the Armed Forces which will be a body under the authority of the elected officials and the Constitution and laws of Venezuela.

In the financial and economic field the Acción Democrática programs pledged the party to work for legislation to conserve Venezuela's natural resources. They proposed to regulate the exploitation of mineral resources in such a way that a refining industry develops in Venezuela. Concessions for the exploitation of natural resources which were illegitimately obtained or which harm the nation would be revised. The government would legislate to assure Venezuela's receiving a major share of the profits from the exploitation of natural resources. State enterprises would be created to exploit and utilize Venezuela's natural resources. Those foreign investments which contribute to the economic development of the country will be favored and those which do not will be discouraged. Industrialization is to be increased by diversification and planning. The economy is to be transformed toward production for the internal market instead of production for a world market. The tax system should be reorganized so that it weighs less heavily upon those of low income and aids the economic development of the country. Idle money and land

¹⁰The review which follows is taken from Acción Democrática, *Bases programáticas*, Caracas, Editorial Antonio Pinto Salinas, 1958.

not utilized shall be taxed to help destroy the *latifundia*. Taxes on unused urban land shall be increased and the additional value given to land by public works shall be taxed. Taxes upon imported luxury products shall be increased. The national budget will become a tool to stimulate the planned development of the economy in such a way as to level out the fluctuations in the economic cycle and to stimulate development in all parts of the country. Venezuela will institute a protective tariff for Venezuelan production, especially that utilizing Venezuelan raw materials. Venezuela will participate in all attempts at regional or inter-American economic integration and in all efforts at international price stabilization which will give Venezuela's basic products a fair price. Importation will be controlled to stimulate economic development. The consumer will be protected by reducing the cost of living and setting up agencies to supervise the quality of products offered for sale. The government will foster the creation of consumer cooperative organizations. The government will supervise the banking system to insure its cooperation in the attaining of the government's development plans. Insurance will be supervised to protect the insured and to permit the utilization of the resources of the insurance companies for the greatest good to the nation's economy.

In the field of public administration Acción Democrática favors national planning and administrative decentralization together with municipal autonomy to make federalism effective. A career service will be created to staff the public administration. All graft and illicit operations will be abolished and austerity and honesty will be fostered. The judicial branch of the government will be given full autonomy and a judicial career service will be organized.

In the social field Acción Democrática favors the creation of a complete system of social security. Equal pay for equal work will be the rule for all regardless of sex, nationality or race. The state will guarantee the right to organize trade unions and to strike. Dual unionism will be eliminated and one national union will be created for each industry. The Constitution will be amended to insert social rights within the country's basic law. Specific reforms favored by Acción Democrática include decreasing the hours of work, providing a living wage to all and a gradual increase in the length of paid vacations workers receive. Employers will be obligated to bargain collectively with their workers and to sign collective contracts with them. The employers will be obligated to share their profits with their workers and the workers will participate in the administration of state-owned enterprises. Female and minor workers will receive special protection.

In the field of improving public health the government will increase the funds devoted to public health. Special attention will be given to

sanitation and to creating the organizations needed to protect children and to improve the health of the rural population. All graduates of medical schools will be obligated to give their services to a rural area for a fixed period.

In the field of agriculture, Acción Democrática hopes to achieve reform by the following measures:

1. abolishing the *latifundia*,
2. organizing settlement of the landless upon farms,
3. raising the economic, cultural, and social level of the peasant and agricultural laborer to increase both their productive and consumptive abilities,
4. developing technically efficient capitalistic, agricultural projects,
5. fostering a water resources policy which will increase the area under cultivation and electrify the rural areas.

In the field of education Acción Democrática proposes that the state provide education suitable to the character of Venezuela's population. To achieve that aim teachers will be trained animated by a democratic ideology capable of teaching students to be socially conscious and aware of Venezuela and American and world solidarity. Kindergartens, non-school education such as television, radio, and the theatre, adult education centers, and a worker's university will be organized.

The international policy of Acción Democrática maintains that Venezuela should help to maintain world peace, harmony and continental friendship. Conciliation, arbitration, and debates in international organizations should be the methods of solving conflicts between states. Venezuela will defend the principle of the sovereign equality of the peoples and their right to arrange their own affairs. Venezuela will support all nations struggling to gain the dignity of autonomy and self-government. Acción Democrática believes Venezuela should follow an audacious and generous policy toward Latin America including:

1. the utilization of Venezuela's resources to further continental development plans and the interests of the various republics,
2. political and cultural agreements should be signed with the other republics to defend democratic institutions and to obtain effective respect for human rights,
3. furthering the political and economic integration of Latin America,
4. repudiation of the despotic regimes,
5. negotiation with other democratic nations of treaties to assure the defense of the democratic values and institutions,
6. adherence to the Charter of the United Nations and its specialized agencies and aiding those organizations to achieve their ends,
7. struggling to transform the Organization of American States from a bureaucratic, non-functioning mechanism into a militant, living organ

ism which recognizes and reflects its desire of the American people to live in liberty, eradicating poverty and illiteracy and improving their backward economic systems,

8. establishing an inter-American court to which every person will have access to defend his democratic rights,

9. creating a foreign service consisting of persons who have the integrity and ability to help achieve the democratic international policy Venezuela will follow.

It is difficult to say how much of this ambitious program can be realized by the administration led by President Betancourt. Venezuela is more fortunate than many other countries in that it receives many millions of dollars from the taxes on petroleum and iron ore, but her problems are gigantic. The emphasis upon petroleum production combined with the spending by the military dictatorship of hundreds of millions of dollars for showy public works in Caracas have created a sort of city-state. Caracas grew until it now contains about one-fifth of the country's population. Yet it is impossible to create an industry in Caracas to support this population since the configuration of the land makes water and land supply insufficient for that purpose. At the same time that Caracas grew so fast the rest of the country vegetated. Not enough food is grown to feed the population. Transportation is poor. Education and culture are concentrated in Caracas.

Venezuela under the new government may solve its problems if the income on oil and iron ore royalties are wisely invested. A steel industry is being created. The leaders of Acción Democrática have many plans for other developments. If political life stabilizes and if the opposition to Acción Democrática cooperates in stabilizing the country quick change may come. In that effort the friends of Venezuela wish the country much luck and will observe developments with great interest. Latin America is on the verge of revolutionary changes which will transform the area and Venezuela has the opportunity to become one of the leading countries of the area.

MATERIAL ON ACCION DEMOCRATICA DE VENEZUELA

I. THE WRITINGS OF RÓMULO BETANCOURT

Betancourt, Rómulo. "A dónde va Venezuela?" *Cuadernos Americanos*, Vol. 15 (Nov.-Dec., 1956), pp. 7-37.

———. "Alzas de salarios o rebajas en el costo de vida," *El País* (Caracas), March 1, 1944.

———. "América no puede vivir sin justicia y sin libertad," *Repertorio Americano*, Vol. 29 (14, Noviembre, 1948), pp. 209-215.

———. "El caso de Venezuela y el destino de la democracia en América," *Cuadernos Americanos*, Vol. 8 (julio-agosto, 1949), pp. 27-66.

———. "Condecoración de don Joaquín García Monge," *Repertorio Americano*, Vol. 25 (1 de septiembre, 1944), p. 155.

———. *Con quién estamos y contra quién estamos*. San José, Costa Rica, 1932.

———. *Directive del governo circa le possibili soluzioni dei problemi fondamentali dell'economia nazionale e del popolo venezolano. Conferenza tenuta al teatro municipale di Caracas la sera del 30 maggio 1946 del presidente sig. Romulo Betancourt*. Roma, Tipografia Zampini, 1946.

———. *Discurso pronunciado en la noche 17 de octubre, víspera del estallido de la Revolución, en el Nuevo Circo de Caracas para clausura el mitin monstruo de Acción democrática*. Caracas, Editorial Elite, 1946.

———. *Discurso pronunciado por el señor Rómulo Betancourt, presidente de la Junta revolucionaria de gobierno en la concentración popular celebrada en Caracas, el 18 de octubre de 1946, con motivo de cumplirse el primer aniversario de la revolución (versión taquigráfica)*. Caracas, Imprenta nacional, 1946.

———. *Discurso radiado por el sr. Rómulo Betancourt, presidente de la Junta revolucionaria de gobierno de los Estados Unidos de Venezuela el día 30 de octubre de 1945*. Caracas, Editorial Elite, 1945.

———. *Dos meses en las Cárceles de Gómez*. Barranquilla, Colombia, 1928.

———. *En las Huellas de la Pezuña*. Santo Domingo, 1929.

———. "Evolución histórica de Venezuela," *Boletín da Uniao Panamericanas*, Vol. 80 (Julio de 1946), pp. 376-382.

———. "Homenaje a Costa Rica," *Repertorio Americano*, Vol. 24 (24 de junio 1944), p. 122.

———. *Interpretación de su doctrina popular y democrática*. Caracas, Editorial Suma, 1958.

A collection of articles and interviews with Rómulo Betancourt together with some of his speeches. Part of the contents of this book is contained in *Semblanzas de un político popular*.

———. *Lo que el dirigente político venezolano Rómulo Betancourt dijo en la inauguración del sexto congreso socialista*. Santiago de Chile, Departamento de publicaciones del partido socialista chilena, 1940.

———. "Las materias primas de América Latina y la guerra mundial," *Revista de Economía y Comercio*, Santiago de Chile, agosto-septiembre de 1940.

———. *Mensaje del día del obrero dirigido a la nación en nombre de la Junta revolucionaria de gobierno, por su presidente, ciudadano Rómulo Betancourt*. Caracas, Imprenta Nacional, 1947.

———. *Mensaje especial dirigido a la nación con motivo del año nuevo, en nombre de la Junta revolucionaria de gobierno por su presidente*, 1948. Caracas, Imprenta nacional, 1948.

- . "¡¡ No hay miseria en Venezuela!!" *El País* (Caracas), June 1, 1944.
- . "La opinión continental frente a la X Conferencia interamericana," *Cuadernos Americanos*, Vol. 12 (Sept.-Oct., 1953), pp. 7-37. Reprinted as *Panamericanismo y dictadura*, Mexico, Sobretiro de *Cuadernos Americanos*, 1953.
- . "Otra farsa de Gómez," *Repertorio Americano*, Vol XIX Dec. 14, 1929), p. 361.
- . "Panorama in somber colors," *The Nation*, Vol. 169 (July 30, 1949), pp. 101-4.
- . *Política educacional. Conferencia y discursos pronunciados por Rómulo Betancourt durante el ejercicio de sus funciones de presidente del Ejecutivo Colegiado*. Caracas, Imprenta Nacional, 1947. 46 pp.
- . *Posición y doctrina*. Caracas, Editorial Cordillera, 1958.
Betancourt's lectures during 1957-1958.
- . *Problemas Venezolanos*. Santiago de Chile, Editorial Futuro, 1940.
Reprints of Betancourt's articles criticizing Venezuela's economic policies.
- . *Semblanza de un Político popular 1928-1948*. Caracas, Ediciones Caribe, 1948.
A collection of articles about and interviews with Rómulo Betancourt published in various places from 1928 to 1948.
- . "Terminó la luna de miel," *El País* (Caracas), 29 de enero de 1944.
- . *Trayectoria Democrática de una Revolución*. Caracas, Imprenta Nacional, 1948.
Speeches and lectures while President of the "Junta Revolucionaria de Gobierno."
- . *Un reportaje y una conferencia*. Caracas, 1941.
- . *Una República en venta*. Caracas, 1937.
- . *Venezuela; política y petróleo*. México, Fondo de Cultura Económica, Silva, 1954.
- . *Venezuela; política y petróleo*. Méico, Fondo de Cultura Económica, 1956.
- and Leonardo Ruiz Pineda. *Acción Democrática ante la farsa electoral*. Caracas, Acción Democrática, Comité Ejecutivo Nacional, 1952 (Printed in San José, Costa Rica).
- Misión técnica económica, Washington. *Venezuela vista por ojos extranjeros. Informe de la misión técnica económica norteamericana Fox, nombrada por el gobierno nacional, con prólogo crítico de Rómulo Betancourt*. Caracas, Editorial Magisterio, 1942.
- Miembros de Acción Democrática en el exilio, Editores. *Rómulo Betancourt: Pensamiento y acción*. México, Editores e impresores Beatriz de Silva, 1951.
Two biographical articles about Rómulo Betancourt together with Betancourt's speeches and writings from 1949 to 1951.
- Venezuela. Junta revolucionaria de gobierno. *Discursos de Rómulo Betancourt, presidente de la Junta revolucionaria de gobierno y del mayor Mario R. Vargas, miembro de la misma Junta y encargado del Ministerio de comunicaciones, pronunciados en los estados Zulia y Falcón*. Caracas, Imprenta nacional, 1946.
- Venezuela. Junta revolucionaria de gobierno. *Gestión administrativa del gobierno nacional; exposición dirigida al pueblo venezolano por el presidente de la Junta revolucionaria de gobierno, señor Rómulo Betancourt, en multitudinaria concentración popular celebrada en Caracas, la noche del 29 de agosto de 1947*. Caracas, Imprenta nacional, 1947.
- Venezuela. Junta revolucionaria de gobierno. *Jiras de integración nacional; discursos*

de Rómulo Betancourt, presidente de la Junta revolucionaria del gobierno y del mayor Carlos Delgado Chabaud, miembro de la misma Junta y encargado del Ministerio de guerra y marina, en los estados Yaracuy y Carabobo. Caracas, Imprenta nacional, 1946.

Venezuela. Junta revolucionaria de gobierno. *Mensaje de la Junta revolucionaria del gobierno, presentado por su presidente, ciudadano Rómulo Betancourt, a la Asamblea nacional constituyente.* Caracas, Imprenta nacional, 1947.

II. THE WRITINGS OF VARIOUS MEMBERS OF ACCIÓN DEMOCRÁTICA AND THE OFFICIAL PUBLICATIONS OF ACCIÓN DEMOCRÁTICA

Acción Democrática. *Bases programáticas de Acción Democrática.* Caracas, Editorial Antonio Pinto Salinas, 1958.

———. *Ratificación de principios teóricos y de orientación programática normativos de Acción Democrática.* Caracas, Publicaciones de la Secretaría Nacional de Prensa y Propaganda, 1958.

———. *Tesis agraria.* Caracas, Editorial Antonio Pinto Salinas, 1958.

———. *Tesis organizativa.* Caracas, Editorial Antonio Pinto Salinas, 1958.

Blanco, Andrés Eloy, "Denuncia ante los soldados de América," *Bohemia* (La Habana), 1949.

Comité Ejecutivo Nacional del Partido Acción Democrática. *Venezuela bajo el signo del terror (1948-1952). Libro negro de la dictadura.* México, Editorial Centauro, 1953.

Gallegos, Rómulo. *Una posición en la vida.* México, Ediciones Humanismo, 1954. Assembles all of Rómulo Gallegos' political writings from 1909 to 1954.

Lander, Luis, "La doctrina venezolana de Acción Democrática," *Cuadernos Americanos*, Vol. 9 (July-August, 1950), pp. 20-39.

Partido Acción Democrática. *Disección del presupuesto de la dictadura militar.* Caracas, impreso en la clandestinidad, 1950.

Prieto F., Dr. Luis B. *De una educación de castas a una educación de masas.* La Habana, Editorial Lex, 1951.

Rangel, Domingo Alberto, "Con Estados Unidos o contra Estados Unidos." Caracas, Tipografía americana, 1947.

Rangel, Domingo Alberto, "Explicación histórica de la Revolución venezolana," *Cuadernos Americanos*, Vol. 6 (mayo-junio, 1947), pp. 7-20.

Rodríguez, Valmore. *Bayonetas sobre Venezuela.* Mexico, Editores e impresores Beatriz de Silva, 1950.

Rodríguez, Valmore. *Discurso radiado por el sr. Valmore Rodríguez, encargado del Ministerio de relaciones interiores, el día 1° de diciembre de 1945 por los micrófonos de la radio nacional, en cadena con la totalidad de las emisoras comerciales de la República.* Caracas, Editorial Elite, 1945.

Venezuela. Junta Revolucionario de Gobierno. *La Revolución Venezolana ante la opinión de América.* Caracas, Imprenta nacional, 1946.

III. ACCIÓN DEMOCRÁTICA PERIODICAL

Acción Democrática (Caracas), órgano central del partido Acción Democrática Weekly, Vol. 1, No. 1, January 10, 1942.

A.D. (Valle de la Pascua, Guárico), órgano del partido Acción Democrática del Distrito Infante. Semi-monthly, Vol. 1, No. 1 published in 1942.

- Informaciones Venezolanas* (San José, Costa Rica). Published irregularly; No. 20 is dated July, 1953.
- Izquierdas* (Caracas). Underground bulletin issued irregularly about 1937-1939.
- El País* (Caracas). Daily, Vol. 1, No. 1, 11 de enero de 1944.
- Venezuela Democrática* (México). Published irregularly; Vol. I, No. 1, April, 1955 to Vol. II, No. 11, January, 1957.

IV. THE WRITINGS ABOUT ACCIÓN DEMOCRÁTICA

- Alexander, Robert J. "Democracy Dawns in Venezuela," *Canadian Forum*, Vol. 28 (August, 1948), pp. 103-4.
- Documentos oficiales relativos al movimiento militar del 24 de noviembre de 1948*. Caracas, Oficina Nacional de Información y Publicaciones, 1949.
- López Contreras, Eleazar. *El triunfo de la verdad. Documentos para la historia venezolana*. México, Edición Genio Latino, 1949.
- Martínez, Beltran. *El Romulato*. Bucaramanga, Colombia, 1946.
- Criticism of October, 1945 revolt.
- Pepper, José Vicente. *Fichas de Romulato*. Ciudad Trujillo, Editora Montalvo, 1947.
- Pepper B., José Vicente. *La gran emboscada*. Ciudad Trujillo, Editora Montalvo, 1949.
- Pepper B., José Vicente and Graciela Rincón-Calcaño de Pepper. *Venezuela dentro de la órbita soviética*. Ciudad Trujillo, Editora Montalvo, 1947.
- Serxner, Stanley J. *An Analysis of the Program and Activities of the Partido Acción Democrática de Venezuela: 1945-48*. Unpublished Master's thesis 1959, University of Florida.



BOOKS

ORIENTAL DESPOTISM. By Karl August Wittfogel. (New Haven: Yale University Press, 1957).

THE WITTFOGEL THEORY IN LATIN AMERICAN STUDIES. This book by Karl August Wittfogel has raised a storm of controversy in academic circles. According to Arnold Toynbee it is "a queer book by a great scholar." For Wittfogel postulates an alternative societal development from that of feudalism and capitalism which has been characteristic of Europe. Oriental despotism, according to Dr. Wittfogel, is a bureaucratic state, with a two-class system of officials and peasants, in which the former direct large government projects, such as irrigation, by commandeering the labor of the latter.

Although the form of government and society described by Wittfogel has been characteristic of much civilization since the Egyptians, its comparative absence in the West has led Westerners to doubt its authenticity and to project their own historical developmental patterns onto distinctly different societies.

We are beginning to suspect in Latin American studies that, in describing and analyzing Latin American historical development within categories derived almost exclusively from European history, we are forcing the material into a framework only moderately suited to it.

We see, for example, in the early decades of the Conquest, in Española, the rise of representative town government which foreshadowed a Spanish New World developing along European lines. Yet the miscarriage of this incipient societal structure did not lead to the control of the New World by the conquistadores and their descendants, as they had been led to expect, and as a student of Western history might expect on the basis of a description of Spain as feudalistic. Rather colonial history begins essentially with the arrival of the viceroys.

Thus we find neither private property and representative institutions, as in the English New World, nor feudalism, as in the Dutch colony of New Amsterdam, as the characteristic feature of the Spanish New World. We find it instead ruled by a state officialdom reminiscent of the empires of the Near and Far East.

The conflict throughout the colonial period between the Creoles and the *Peninsulares*, on the one hand, and between the Creoles and the religious orders, on the other, becomes more understandable when viewed within the context of a vacillation in the Spanish New World between an incipient bureaucratic despotism, directed from Spain, and a developing feudalistic economic structure, as American-born Spaniards attempted to extend the *encomienda* privilege into hereditary right.

This is not to imply that the categories within which we traditionally summarize Spanish history—national state, centralized colonial empire, feudalistic economy—are not descriptive of Latin American development. Yet the categories themselves are contradictory within the assumptions of general European development, i.e. the emergence out of feudalism of national states with a capitalistic economy. However, the conflicts in colonial Spanish America closely parallel the theoretical conflicts which Wittfogel postulates for Oriental despotism: the struggle between the officiating functionaries and the gentry, descended from earlier office and land holders; the interdepartmental feuds between the secular and the religious officialdoms.

Bureaucratic despotism should not be confused institutionally with European absolutism. The latter was forced to maneuver between powerful forces of the landed nobility and of the mercantile classes; whereas the former held a monopoly of power, both economically and politically, with the option of delegating a part of this power to other groups or of suppressing these groups at will. As Madariaga

suggests, "The kings of the Austrian dynasty are, above all, in the pregnant image of Oliveira Martins, Pharaohs." This same image reoccurs in Madariaga's description of the Spanish military politician. "At his best he belongs to the category of the benevolent despot of the eighteenth century, at his worst to that of the Oriental despot when honorable."

The stagnation of the seventeenth century, so puzzling to students of Latin American history after an initial century of such brilliance, illustrates this difference. For with the loosening of the bureaucratic vise in the eighteenth century, we see an amazing transformation. The introduction of European style reforms under Bourbon absolutism, coupled with the infiltration with freer trade of English, French, and Dutch mercantile elements, infused new vitality into the Spanish colonies.

Thus the addition of the concept of a bureaucratic state organization in conflict with both a developing native feudalistic structure and a weaker capitalist alternative allows us to conceptualize and emphasize the dynamics of Latin American historical development.

In this development we are dealing with a continent on which people have been and are still found living side by side in every stage of societal development and representing all the races of man. We can move through the centuries and millennia by simply crossing space in Latin America. At the time of the Conquest, there were still flourishing in historical times the stages of evolution postulated for Eurasia: Paleolithic hunting societies; Neolithic agricultural cultures; and civilizations, with a similar cast of mind and similar institutional structures to those of Egypt and Mesopotamia. The Inca Empire was an extreme form of Oriental despotism, and Wittfogel's earlier prediction of extensive irrigation projects in the empire has been borne out by archeology.

The extent to which the conquest of such civilizations was a predisposing factor for the form in which the Spanish imperial system developed is an intriguing question for further research. The Spanish American colonies were not fitted into a preexisting imperial structure, but this structure evolved in a mutual interplay with the Conquest. The Spanish proximity to and conquest of Moorish states is, of course, also suggestive, as the Spanish state arose in the territory of formerly functioning Oriental despotisms. A comparative study of Moorish, native American, and Spanish economies and institutions would be most instructive.

Dr. Wittfogel's frame of reference of world history is most meaningful for Latin American history. The thesis of conflict and accommodation between three institutional possibilities—bureaucratic state apparatus; native feudalistic economy; and a capitalist, representative alternative—allows us not only to deal more effectively with colonial history but also offers us a tool for analysis of the post-independence period: the failure of the Creole revolutionary leaders to institute stable government, the emergence of the caudillos, the uneven advance toward democratic institutions.

Latin American history then emerges from its peripheral status to over-all Western history, as the experience of the Latin American countries since independence is especially relevant to those areas of the world where new nations are emerging out of colonialism and are struggling to set up new institutional structures and to define their ideological base. For this reason Latin American history becomes an important area of reference for students of contemporary history; and the Wittfogel theory of the reemergence of Oriental despotism in a communist guise, particularly relevant to contemporary social science.

Mrs. Roy N. Shantz
Latin-American Institute
New York

LATIN AMERICA, A MODERN HISTORY, by J. Fred Rippy. (Ann Arbor: University of Michigan Press, 1958, Pp. xix, 579. Price \$10.)

Many schools attempt to crowd all Latin-American history into one course and consequently prefer a single-volume text. This presents a difficult problem to the writer. The task of covering all Latin-American history, both colonial and national periods, cultural as well as political facets, is scarcely to be achieved to everyone's

satisfaction. Dr. Rippey, the most experienced American writer on Latin America, has succeeded to a greater degree than most. His account of the epic of the conquest and discovery brings back some of the moving sense of adventure and crusade lost in recent books that stress economic and political minutiae. A similar happy result is attained in the other epic period of the wars of independence. Besides these accounts the book contains much material on international relations and on the beginnings of modern economic development. To this is added some discussion of the intellectual life and the great cultural leaders of the Latin American republics. Although omissions can be noted, and another writer would stress different aspects, the achievement of the book in supplying so much fact and interpretation without loss of style is remarkable.

R.E.M.

TRUJILLO, *LITTLE CAESAR OF THE CARIBBEAN*. By German E. Ornes. (New York, Thomas Nelson & Sons, 1958. Pp. 338. Price \$5.00.)

This book is timely, although the same subject is covered by Jesús de Galíndez in his *LA ERA DE TRUJILLO*. Since that was published only in Spanish, the Ornes book fills a real need.

German Ornes was born in the Dominican Republic and lived there until 1955. Much of what he writes about he lived through and his reminiscences make the book more interesting and readable. Ornes draws a devastating portrait of Trujillo and a tragic picture of life under his rule. He reports that Trujillo's personal fortune is more than \$500,000,000. In amassing this fantastic amount Trujillo treated the Dominican Republic as if it were his private property, building a system in which he now controls all military, governmental, educational, and economic affairs.

How did an uneducated, poverty-stricken youth achieve mastery of a country with about two and a half million people? Ornes attributes Trujillo's success to his ability to work long hours, his tremendous ambition, his sensitivity to political phenomena, and his organizational ability. After twenty-eight years he coasts along, as his judicious use of force and lavish expenditures for propaganda combine with his absolute control of all aspects of Dominican life to make his position stable and apparently secure.

The lack of an index and a bibliography lessen the value of the book to scholars, but this reviewer recommends it as the best study in English of the Dominican Republic under the rule of Generalissimo Rafael Leonidas Trujillo Molina.

Harry Kantor
Department of Political Science
University of Florida

ECONOMIC POLICY REVOLUTION AND INDUSTRIALIZATION IN LATIN AMERICA. By Pedro C. M. Teichert. (University, Mississippi: Bureau of Business Research, 1959. Pp. 282. Price \$7.00).

This is an immensely helpful book to the non-economist who ventures into the topsy-turvy world of "modern" economics in his effort to understand the over-all picture of Latin America. The author tells not only what he believes about Latin-American economic problems but also the theories that have affected the beliefs and practices of most residents of the area studied. He realizes that economics is not a study separable from the total of "cultural, physical, psychological, social and political factors," and thus explains results that are only economic in a small degree. What he has to say about industrial development most Anglo-Americans tend to ignore; "Industrialism . . . is only part of the effort in the creation of independent self-respecting nations . . . It is, in brief, only a by-product in the struggle for human and national self-assertion." (p. 189). Northern economists frequently limit their surveys to relative cost analysis and thus miss the whole Latin preoccupation with ending "colonial" economies at whatever cost may be necessary.

R.E.M.

LAS IDEAS SOCIALES Y POLÍTICAS DE ARÉVALO. By Marie-Berthe Dion. (Santiago de Chile: Prensa Latinoamericana, 1958, Pp. 197.)

Juan José Arévalo, one of the most important and controversial figures in recent Latin-American history, has become known principally by his actions while President of Guatemala between 1945 and 1951. This book shows Arévalo as a man of ideas as well as action. His writing on many themes has been well synthesized by Miss Dion.

Arévalo was first an educator, teaching in several Argentine universities. He has decided views on Latin-American education, rejecting old emphases on classic learning and the training of an élite; he supports mass education with practical as well as intellectual training.

He claims to support political democracy, but Miss Dion admits that he is frequently equivocal on the subject. Arguing that democracy must defend itself at all costs, Arévalo is ready to use highly undemocratic methods to defend democracy. He has devised "Spiritual Socialism" which he contrasts with Marxian materialistic socialism. What he means is not clear, though it is evidently a mixed economy in which the State has a general directing role. Under "Spiritual Socialism" weaker classes would be protected by the State; there would be the utmost fluidity in the social structure; and great emphasis would be placed on the spiritual growth of the individual. Miss Dion cites his attacks on Nazis and other fascists and notes his strong opposition to "native fascism" in Latin America. Arévalo's opposition to Communism, however, is largely philosophical. He condemns the Communists' materialism and their willingness to use low means to attain their ends. Nowhere, however, does Miss Dion cite any statement to show that he has any real concept of the nature of the international communist movement or the dangers it involves for democracy and "Spiritual Socialism" as well. His political career reveals something of the same blindness.

Finally, Miss Dion deals with Arévalo's belief in a new "Bolivarism" or Latin American unity, with Central American unity as a first step. On this, he is on solid ground. The first moves on this direction he inaugurated while president are now beginning to produce results.

The reviewer does not consider Arévalo the great political thinker that Miss Dion pictures him to be. However, there is no doubt about his importance for Guatemala and Latin America. His influence continues over a broad area. He is still young, and the changing fortunes of politics may once again bring him to the front. It is worth while for students of contemporary Latin America to become acquainted with this book.

Robert J. Alexander
Rutgers University
New Brunswick, New Jersey

RAILS, MINES AND PROGRESS. By David M. Pletcher. (Ithaca: Cornell University Press, 1958. Pp. 321. Price \$5.50).

This volume, which won the Beveridge prize in 1957, recounts the exploits of seven American promoters in Mexico in the period between the end of the U.S. Civil War and the Mexican Revolution. It thus gives an excellent cross-section of both countries at this time. In view of the importance of some of the Americans concerned — Ex-President U. S. Grant, General Rosecrans, Alexander R. Shepherd, and others — the account is as useful for U.S. history as it is for the history of Mexico. The political and psychological problems that continue to plague the economic co-operation of the two peoples are well illustrated as well as the romantic allure and illusion created in the Northern mind by first views of the lovely Latin lands to the South. The author, besides presenting a readable and detailed factual account, has been able to suggest some of the persistent problems in inter-American relations and place them in the broader frame of American history.

R.E.M.

J

I

vo

E

R

A

C

R

D

R

J

J

G

V

F

D

C

E

J

T.

E

G

Pub

By

Cop